# Vital Signs:

# New Hampshire Economic and Social Indicators

# 1995-1998

*a Labor Market Information Report*

*Prepared by*

Economic and Labor Market Information Bureau
New Hampshire Employment Security
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# Acknowledgments

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We also wish to acknowledge the cooperation of numerous individuals in organizations, both public and private, who generously shared their data and their expertise with us and helped us to find those data items that we needed in order to make this compilation possible.

THE STATE OF NEW HAMPSHIRE
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# INTRODUCTION

This annual review of New Hampshire economic and social indicators is designed to present, in a concise manner, many significant aspects of the state's economic, social, and environmental structure. Four years of data are reported, when available, in order to depict recent trends. Comparisons are made with other states, the region, or the nation as appropriate.

Some data has been drawn from published reports or unpublished records of many state and federal government agencies and private organizations. Other data was retrieved from the Internet. We are indebted to the numerous individuals who contributed special information or provided advice on evaluating reported data. Sources are identified by abbreviations in the right hand column in the tables of indicators. Attention should be paid to notations included with the line titles about data size and time intervals used. Fiscal year numbers are displayed under the second calendar year involved. For example, enrollments for the 1997-1998 school year are shown under 1998. Whenever possible, 1999 updates are reported along with other information in the summary analysis.

Some of the data items in the tables are available for substate areas. If you need additional data please contact the Economic and Labor Market Information Bureau at (603) 228-4124.

The observations expressed in this report do not necessarily reflect those of New Hampshire Employment Security, and no official endorsement should be inferred.

# 1998 New Hampshire Highlights

## Population

New Hampshire's population estimate for July 1998 was 1,185,000, an increase of 12,000 over the same month in 1997, representing the largest percentage gain (1.0 percent) among New England states. The state's net migration of 24,725 from 1990 to 1998 led all other New England states. The median age in 1998, 35.7 years, was the lowest in New England, but higher than the median age for the nation.

## Education

Fall enrollment in both private and public schools (including preschools) increased 1.8 percent in 1998 to 227,690 students. Increases were higher in the upper grades than in the lower ones. After 1996 and 1997 increases of 4.5 and 4.6 percent, respectively, expenditures per pupil increased only 1.1 percent in 1998.

## Labor Force and Unemployment

New Hampshire's unemployment rate for 1998 was 2.9 percent, the lowest since 1988. The state had the fourth lowest unemployment rate in the nation in 1998. The 1999 rate is expected to be about 2.7 percent. In the first ten months of 1999 employment has already increased 3.3 percent, adding 21,000 jobs.

## Employment by Industry

New Hampshire's nonfarm employment was 587,500 in 1998, an over-the-year increase of 3.0 percent. Construction had the largest percentage gain, up 9.6 percent. The upward trend in employment growth continues into 1999 as unbenchmarked October 1999 nonfarm employment reached 602,500 employees, a record high for October.

## Private Enterprise

Total establishments in private industry grew by 3.5 percent from 1997 to 1998. Fifty percent of all employees work at New Hampshire firms employing between 10 and 249 people. High tech research and development intensive establishments' average 1998 wage exceeded $1,000 per week.

## Energy

In September 1999 PSNH reached an agreement with the New Hampshire Electric Cooperative, the state's second largest electric utility. Under the agreement, the Co-op can offer its 70,000 customers significantly reduced rates and the ability to choose alternative energy suppliers.

## Production

New Hampshire ranked second in the nation in export growth for 1998 with 9.5 percent, compared to -1.2 percent for New England and -1.0 percent for the U.S. This is the fourth time in ten years New Hampshire has exceeded both New England and the United States in export growth.

## 1998 New Hampshire Highlights continued

### Trade, Recreation, and Hospitality

Annual retail sales for New Hampshire increased 5.5 percent in 1998, to $15.4 billion. Estimated total spending for travelers and tourists increased to $3.26 billion. Loudon becomes the second largest city in New Hampshire during each of the two Winston Cup races, passing Nashua's total population by approximately 10,000 people.

### Construction and Housing

New Hampshire's existing home sales increased 13.8 percent over-the-year to 18,538 in 1998. The average sale price increased 6.5 percent in 1998 to $134,146. The state's nonfarm construction employment grew 6.0 percent from September 1998 to September 1999. This growth followed an increase of 9.1 percent, or 1,867 jobs, from September 1997 to September 1998.

### Transportation and Traffic

Enplanements, passengers flying out of Manchester airport, increased from 559,741 to 971,821 over the year. Deplanements, passengers arriving at the airport, increased from 548,475 to 966,356.

### Finance and Banking

After two years of double-digit increases in New Hampshire, bankruptcy filings grew just 1.9 percent in 1998. Reports for the first nine months of 1999 show over-the-year decreases in bankruptcy filings in the state.

### Government Revenues and Expenditures

Tobacco taxes increased $26 million in fiscal year 1998, driven by a per pack surcharge. It was more than quadruple the $6 million gain in fiscal year 1997. Business taxes continue to be the largest source of unrestricted revenue for the state, bringing in $239 million in 1998. Equalized property valuation increased by nearly $5 billion in 1998.

### Income and Wages

The state's total personal income was $34,392 million in 1998, an over-the-year increase of 5.7 percent. New Hampshire ranked highest in New England for percentage change, 5.7 percent, from 1997 to 1998. Over-the-year changes in the nation ranged from an increase of 8.2 percent in Colorado to 2.2 percent in Hawaii. Nationwide, total personal income increased 5.4 percent.

### Social Assistance

The annual average number of welfare cases open on the last day of the month declined over 40 percent from 1994 to 1998. The number of cases with a non-parent relative caretaker increased more than 23 percent.

### Health

UnitedHealth Group, for 1999, rated New Hampshire the second healthiest state in the nation. Morgan Quitno Press ranked the state as the fourth healthiest state in 1999. The Children's Rights Council ranked New Hampshire as the fifth best state to raise a child. Benefits paid by insurance companies and self-insurers decreased by 2.0 percent.

# 1998 New Hampshire Highlights continued

## Crime and Accidents

New Hampshire had the lowest 1998 total crime index in the nation. It represented a drop of 8.3 percent from 1997 and the eighth consecutive year New Hampshire's total crime index was lower than each of the other New England states and the national index. Construction of a new state prison in Berlin, designed to hold 500 inmates, is scheduled for completion in February 2000.

## Environment

More than 600 hazardous chemicals have been placed on the Toxic Release Inventory (TRI) list. This list is used to let communities know what kind of hazardous chemicals are being released in their area. In New Hampshire, toxic releases decreased 4.8 percent from 1996 to 1997.

### Change in Key Economic Indicators

| Indicator | 1996 to 1997 | | 1997 to 1998 | | Section |
|---|---|---|---|---|---|
| | Change | % Change | Change | % Change | |
| Gross state product (1992 dollars-millions) | $1,215 | 3.8% | $4,103 | 12.4% | 7 |
| Retail sales (billions) | $0.4 | 2.8% | $0.8 | 5.5% | 8 |
| Existing home sales (total units per year) | 5,425 | 18.1% | 4,875 | 13.8% | 9 |
| Meals and rooms receipts (millions) | $96.9 | 6.6% | $189.3 | 12.0% | 8 |
| Electricity purchased (million KWH) | -46 | -0.5% | 172 | 1.9% | 6 |
| Bank assets (millions) | $1,602 | 8.0% | $2,545 | 11.8% | 11 |
| Non-current loans (millions) | -$6.7 | -5.1% | $70.2 | 56.4% | 11 |
| Bankruptcy filings | 1,210 | 32.8% | 92 | 1.9% | 11 |
| Income, per capita personal | $1,348 | 5.1% | $1,453 | 5.2% | 13 |
| Wages, average weekly | $32.42 | 6.1% | $34.94 | 6.2% | 13 |
| Population | 13,000 | 1.1% | 12,000 | 1.0% | 1 |
| School enrollment (K-12) | 3,952 | 1.8% | 3,967 | 1.8% | 2 |
| Labor Force: | | | | | |
| Employment | 28,000 | 4.7% | 8,000 | 1.3% | 3 |
| Unemployment | -6,000 | -23.1% | -1,000 | -5.0% | 3 |
| Nonfarm jobs | 16,600 | 3.0% | 17,300 | 3.0% | 4 |
| Vehicle registrations | 32,615 | 3.5% | -7,859 | -0.8% | 10 |
| Poverty rate* | 0.4 | 6.2% | 1.5 | 21.7% | 14 |
| Criminal offenses | -1,846 | -5.6% | -2,288 | -7.4% | 16 |
| Traffic accidents | 12 | 0.0% | 2,749 | 8.9% | 16 |

# 1. Population

As of July 1998 New Hampshire had an estimated population of 1,185,000, an increase of 12,000 over 1997 and an increase of 76,000 since April 1990. By many standards New Hampshire's population growth stands out when compared to other New England states. New Hampshire had the youngest population in New England with a median age of 35.7 in 1998. Thus far in the 1990s the Granite State has experienced the largest percentage gain in total population among the New England states, up 6.8 percent. New Hampshire also led the region in percentage population growth in 1998 over 1997.

Population change is composed of natural increase and net migration. Natural increase is the difference between births and deaths. Net migration is the difference between in-migration and out-migration. Net migration is further broken down into net international migration (NIM) and net domestic migration (NDM). NIM consists of moves where either the origin or the destination is *outside* of the nation NDM consists of moves where both the origin and destination are *within* the U.S.

The natural increase rate (per 1,000 population) decreased dramatically from 8.2 in 1990 to 3.8 in 1998. Most of the decrease was driven by a reduction in the birth rate. The number of births decreased from 17,519 in 1990 to 13,974 in 1998.

The declining birth rate is explained, in part, by the decrease in the number of females between 20 and 35. Another factor is the aging of the so-called baby boomers, people born between 1946 and 1964. They are now in the 35 – 54 year age group, beyond normal childbearing years. Their proportion of the New Hampshire population increased from 26.8 percent in 1990 to 31.8 percent in 1998. This group had accounted for the greatest percentage change of any age group during that time period.

Between 1990 and 1998 the number of people between 25 and 44 *decreased* by more than 500. During the same time the number of people 65 and over *increased* more than a thousand. These changes profoundly affect the labor market. As the number of retirees increase, there will be a need to replace them in the labor force. This will become increasingly difficult as there will be a scarcer supply of younger workers.

**The Granite State's net migration (the difference between in-migration and out-migration) led all other New England states from 1990 to 1998.**

New Hampshire's annual net migration improved dramatically during the 1990s and seemed to mirror changes in the economy. The state's annual net migration rate was negative from 1990 to

New Hampshire's Net Domestic Migration and Total Net Migration Exceeded Massachusetts from 1990 to 1998

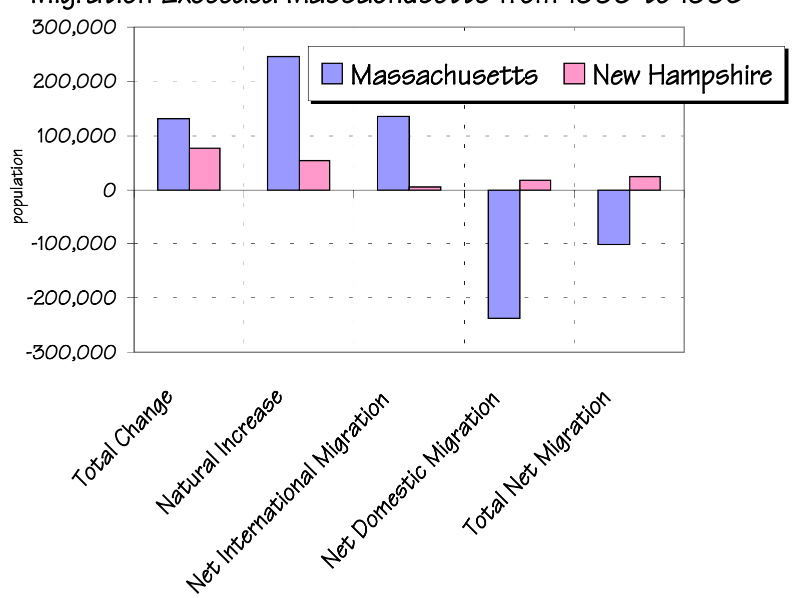



Figure 1.a: Population Change from 1990 to 1998

New Hampshire Added Second Highest Number to Population Since 1990, Which Translated Into Highest Growth Rate in New England

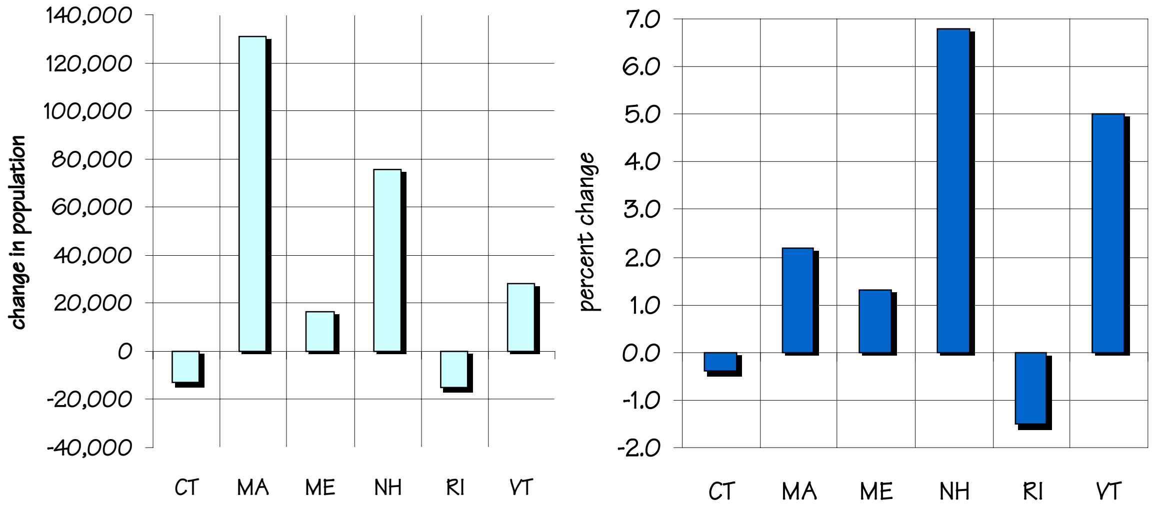



Figure 1.b: Change in Population vs. Percent Change 1990-1998

1992. After the last recession ended, it not only became positive but became the primary component of New Hampshire's population change. Net migration accounted for nearly two thirds of the Granite State's population increase from 1997 to 1998.

New Hampshire's net migration and NDM led all other New England states from 1990 to 1998. Only New Hampshire and Vermont among the New England states had both positive net migration and NDM during this period. Net migration at 24,725 and NDM at 18,000 tripled those numbers in Vermont.

The northern New England states - New Hampshire, Maine, and Vermont - have many similar population demographics. The three states had higher percentages of rural population than the southern New England states - Connecticut, Massachusetts, and Rhode Island - in 1990. They also had higher net migration rates than the others from 1990 to 1998.

New England's NDM resulted in more than a half million more people out-migrating than in-migrating to New England since 1990. The loss was somewhat mitigated, however, by a NIM gain of nearly a quarter million people during the same time period. The net migration loss was nearly a quarter of a million people since 1990.

New England's decrease in net migration and NDM reduces its labor pool. The region's labor force decreased 33,000 from 7,147,000 in 1990 to 7,114,000 in 1998. It is becoming more difficult to find replacements, particularly from domestic migration. Consequently, NIM is becoming an increasingly important component of the New England labor market.

*Bruce Olinsky*

| 1. Population | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| RESIDENT POPULATION | | | | | |
| Population, July 1st (000s) | 1,146 | 1,160 | 1,173 | 1,185 | CB/OSP |
| Annual percent change | 1.1% | 1.2% | 1.1% | 1.0% | CB/NHES |
| United States rank of annual percent change | 17 | 14 | 17 | 17 | CB/NHES |
| Percent of change since last census | 3.5% | 4.8% | 5.8% | 6.8% | CB/NHES |
| Population, Males | 563,700 | 571,000 | 576,600 | 583,000 | CB/OSP |
| Population, Females | 582,700 | 589,100 | 596,400 | 602,100 | CB/OSP |
| DISTRIBUTION BY AGE | | | | | |
| Under 5 years | 6.6% | 6.5% | 6.3% | 6.2% | CB |
| 5 to 17 years | 19.0% | 18.9% | 19.0% | 19.0% | CB |
| 18 to 24 years | 8.4% | 8.1% | 8.0% | 8.1% | CB |
| 25 to 44 years | 34.7% | 34.7% | 34.5% | 34.1% | CB |
| 45 to 64 years | 19.4% | 19.7% | 20.2% | 20.6% | CB |
| 65 years and over | 11.9% | 12.0% | 12.0% | 12.0% | CB |
| MEDIAN AGE | | | | | |
| United States | 34.4 | 34.7 | 34.9 | 35.2 | CB |
| New England | 35.6 | 35.9 | 36.2 | 36.5 | CB |
| New Hampshire | 34.8 | 35.1 | 35.5 | 35.7 | CB |
| Connecticut | 35.9 | 36.3 | 36.7 | 37.0 | CB |
| Maine | 36.1 | 36.5 | 37.0 | 37.4 | CB |
| Massachusetts | 35.1 | 35.5 | 35.9 | 36.2 | CB |
| Rhode Island | 35.4 | 35.8 | 36.1 | 36.4 | CB |
| Vermont | 35.3 | 35.8 | 36.3 | 36.7 | CB |
| VITAL RECORDS[a] | | | | | |
| Marriages | 9,803 | 9,950 | 9,996 | 10,211 | VS |
| Marriage rate (per 1,000 population) | 8.6 | 8.6 | 8.5 | 8.6 | VS |
| Divorces | 4,983 | 5,274 | 5,700 | 6,060 | VS |
| Divorce rate (per 1,000 population) | 4.3 | 4.5 | 4.9 | 5.1 | VS |
| Components of Population Change: | | | | | |
| Live births | 14,576 | 14,520 | 14,275 | 13,974 | VS |
| Birth rate (per 1,000 population) | 12.7 | 12.5 | 12.2 | 11.8 | VS |
| Births to teenage mothers | 1,100 | 1,078 | 1,115 | n/a | VS |
| Percent of total live births | 7.5% | 7.4% | 7.8% | n/a | VS |
| Nonmarital births (percent of total) | 22.2% | 23.2% | 23.8% | n/a | VS |
| Late or no prenatal care (percent of live births) | 1.6% | 1.5% | 1.6% | n/a | VS |
| Resident deaths | 9,185 | 9,392 | 9,451 | 9,484 | VS |
| Crude death rate (per 1,000 population) | 8.0 | 8.1 | 8.1 | 8.0 | VS |
| AIDS related death rate (per 100,000 population) | 3.6 | 3.3 | NP[b] | n/a | VS |
| Infant death rate (per 1,000 live births) | 5.3 | 5.0 | 4.4 | n/a | VS |
| Natural increase rate (per 1,000 population) | 4.8 | 4.5 | 4.2 | 3.8 | VS |
| Net migration rate (per 1,000 population) | 6.3 | 7.5 | 6.2 | 7.3 | NHES |

[a] 1998 data are occurrences; other years are residential data

[b] Federal restrictions preclude reporting fewer than 20

NP = Not Publishable

# 2. Education

The Best Schools Initiative that evolved from the Governor's Education Summit in 1997 has become the framework for improving elementary and secondary education and thus student success in New Hampshire. The initiative incorporates a six-point agenda based upon recommendations developed at the Education Summit. The six points are viewed as a starting place from which to reach goals and include:

**The 1999 NHEIAP test results showed incremental progress as expected, rather than big increases or decreases.**

- ❑ Excellence in teaching;
- ❑ Strong educational programs;
- ❑ Quality learning environments;
- ❑ Strong business, parent, community and school connections;
- ❑ Integrated educational technology
- ❑ Students ready to learn

Prior to the summit some educational program components had been launched, for example, the New Hampshire Educational Improvement Assessment Program (NHEIAP). Other components have been started during the recent past.

Enrollment in Public Schools Continues to Decline

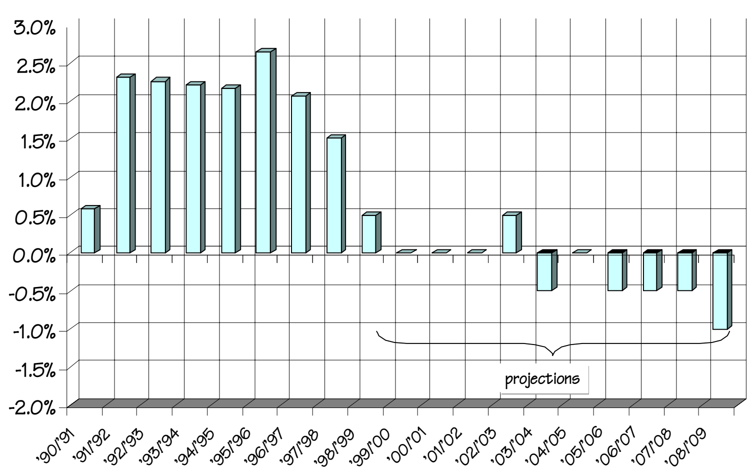



Figure 2.a: Percent Change in Public School Enrollment
Fall of Year, 1991 to Projected 2009
Source: U.S. DOE, NCES, Common Core of Data surveys.

## The Best Schools Leadership Institute

The Best Schools Leadership Institute (BSLI) stands as the flagship program of the Best Schools Initiative, operating on a statewide level to deepen community involvement in student learning and achievement. Teams from each school community, including teachers, principals, parents, school board members, business leaders, and other community members, make a commitment to participate for at least three years. Teams will participate in a one-week workshop designed to facilitate the development of a local school plan. The plan will improve and change the way students are taught and ultimately learn.

During the three-year period the teams are provided with help from an expert facilitator to develop their own strategies for school improvement. This will be done in a manner that addresses the needs of their communities. Also addressed will be the relationship to each local plan of action points in the Best Schools Initiative. Team members from 20 schools and districts attended the first BSLI during summer 1999. The goal is for nearly 240 schools to participate over the next six years. The BSLI has been funded in part by a grant for $1,000,000 over the next five years from the Nellie Mae Foundation, a national organization that makes loans to college students. The Foundation cited the Best Schools Initiative as a model for the nation.

## The New Hampshire Educational Improvement and Assessment Program

The New Hampshire Educational Improvement and Assessment Program (NHEIAP) emerged from a disaffection with previously-used testing instruments which failed to provide sufficient information about students' knowledge and were not grounded on challenging standards. The NHEIAP has three components that form the cornerstone for educational improvement in New Hampshire. The first consists of challenging K-12 curriculum frameworks which set the standards. The second and third components use assessment tools and test results to measure student knowledge and develop/revise curriculum plans that will increase student achievement.

NHEIP tests set high standards and reflect what New Hampshire students should know and be able to do in terms of the relevant curriculum framework. In contrast, most national tests measure how one child performs compared to all other children taking the test. The New Hampshire test results are designed to provide schools and school districts with the detail needed to develop a specific instructional program to help improve schools.

Again this year the Department of Education noted the 1999 NHEIAP test results showed incremental progress, rather than big increases or decreases. Regardless of the test results, they serve to prompt reexamination of the way in which the educational system functions in respect to student learning. Included with this year's test results were case studies of two success stories, one in Concord and a second at Newfound Regional High School. The case studies illustrated different ways in which test results can be utilized in curriculum planning and instruction, without just 'teaching for the test.' Positive results of new curriculum plans can ultimately be verified by improving assessment results over years.

## Integrated Educational Technology

One of the key groups working on educational technology planning and implementation is the Statewide Educational Technology Council. The Council,

**1999 New Hampshire Educational Improvement and Assessment Program Test Results**

| Grade Three - 16,946 Students | | | | |
|---|---|---|---|---|
| Subject | Advanced | Proficient | Basic | Novice |
| Language Arts | 5% | 22% | 45% | 24% |
| Mathematics | 13% | 26% | 42% | 18% |
| Grade Six - 16,774 Students | | | | |
| Subject | Advanced | Proficient | Basic | Novice |
| English Language Arts | 1% | 14% | 42% | 40% |
| Mathematics | 1% | 14% | 32% | 51% |
| Science | <1% | 4% | 24% | 70% |
| Social Studies | 5% | 10% | 34% | 49% |
| Grade Ten - 14,210 Students | | | | |
| Subject | Advanced | Proficient | Basic | Novice |
| English Language Arts | 1% | 6% | 61% | 27% |
| Mathematics | 3% | 14% | 29% | 50% |
| Science | 1% | 15% | 28% | 52% |
| Social Studies | <1% | 9% | 25% | 60% |

composed of representatives from education, state agencies, and businesses, advises the Department of Education regarding the implementation of the New Hampshire Statewide Educational Technology Plan. In January 1999 New Hampshire awarded third round Technology Literacy Challenge Fund sub-grants totaling $2,018,000 to 17 school districts and eight consortiums of two or more districts.

To evaluate the status of technology in the state's schools, a survey commissioned by the Department of Education was conducted by Quality Education Data (QED) in the fall of 1996 and the spring of 1998. In the spring of 1999, the third year for the Technology Literacy

| 2. Education | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| ELEMENTARY AND SECONDARY EDUCATION | | | | | |
| ENROLLMENT, fall, public & private (inc. preschool) | 214,682 | 219,771 | 223,723 | 227,690 | DE |
| Growth rates: Total | 2.6% | 2.4% | 1.8% | 1.8% | DE/NHES |
| First grade | 1.1% | 2.6% | -3.8% | 0.5% | DE/NHES |
| Twelfth grade | 1.0% | 1.3% | 4.3% | 4.8% | DE/NHES |
| Voc-tech enrollment (secondary) public schools | 10,821 | 11,037 | 10,158 | n/a | DE |
| Percent of 9th & 10th grade | 8.1% | 8.6% | 8.8% | n/a | |
| Percent of 11th & 12th grade | 31.3% | 31.0% | 29.6% | n/a | DE/NHES |
| Pupil-teacher ratio (public schools) | 16 | 16 | 16 | n/a | UED |
| United States rank (including D.C.) | 18 tie | 18 | 20 | n/a | UED/NHES |
| Avg. Salary of Instructional Staff (public schools) | 39,564 | 42,188 | 43,455 | 44,234 | UED |
| United States rank | 16 | 13 | 13 | 12 | UED/NHES |
| HIGH SCHOOL GRADUATES (Public schools) | | | | | |
| Graduation rate (not adjusted for migration) | 74.9% | 74.9% | 74.7% | n/a | UED |
| United States rank (including D.C.) | 21 | 19 | n/a | n/a | UED |
| Total number of graduates (public) | 10,117 | 10,046 | 10,376 | 10,669 | DE |
| Enrolled in four-year college | 52.5% | 51.5% | 51.9% | 52.0% | DE |
| Enrolled in less-than four year college | 14.6% | 15.8% | 16.1% | 17.6% | DE |
| Employed or in armed forces | 28.4% | 32.8% | 27.2% | 28.3% | DE |
| VOC-TECH SECONDARY COMPLETERS | | | | | |
| High School Technical Program Completers | 2,651 | 2,601 | n/a | n/a | DE |
| SCHOLASTIC ASSESSMENT TEST (SAT) | 1,035 | 1,034 | 1,039 | 1,043 | UED |
| National average | 1,010 | 1,016 | 1,016 | 1,017 | UED |
| Rank (among 23 states and D.C. who administer test) | 3 | 3 | 3 | 3 | UED |
| Percent of high school graduates taking test | 70% | 70% | 70% | 72% | UED |
| EXPENDITURES PER PUPIL (average) | | | | | |
| Total, Net, all purposes (school year) | $6,955 | $7,268 | $7,600 | $7,682 | DE |
| Annual percent change | n/a | 4.5% | 4.6% | 1.1% | DE/NHES |
| Instruction expenditures | $4,080 | $4,258 | $4,385 | $4,599 | DE |
| Current expenditures per pupil in ave. daily attn. | 6,127 | 6,458 | 6,557 | n/a | UED |
| Expenditures per capita (dollars) | | | | | |
| New Hampshire | 1,012 | 1,096 | 1,117 | n/a | UED/NHES |
| United States | 1,062 | 1,100 | 1,162 | n/a | UED/NHES |
| United States rank (1=highest) | 18 | 16 | 17 | n/a | UED/NHES |
| Revenue sources, percent of total school revenues: | | | | | |
| State funds | 7.3% | 7.0% | 7.4% | n/a | UED |
| National average | 46.8% | 47.5% | 48.6% | n/a | UED |
| United States rank | 50 | 50 | 50 | n/a | UED |
| Local and other[a] funds | 87.3% | 87.1% | 89.2% | n/a | UED |
| National average | 43.8% | 43.2% | 43.6% | n/a | UED |
| United States rank | 1 | 1 | 1 | n/a | UED |
| Federal funds | 3.1% | 3.3% | 3.5% | n/a | UED |
| National average | 6.8% | 6.6% | 7.1% | n/a | UED |
| United States rank | 50 | 50 | 50 | n/a | UED |

[a] Includes gifts, tuition, and fees from patrons.

| 2. Education (continued) | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| POSTSECONDARY EDUCATION | | | | | |
| COMMUNITY TECHNICAL COLLEGE | 1,640 | 1,533 | 1,546 | 1,364 | PSV |
| Number employed full-time after six months | 910 | 997 | 885 | 834 | PSV |
| Percent working full-time | 55.5% | 65.0% | 57.2% | 61.1% | PSV |
| Percent of those working in New Hampshire | 83.6% | 84.0% | 87.0% | 86.0% | PSV |
| Number continuing education | 237 | 169 | 155 | 160 | PSV |
| Percent continuing education | 14.5% | 11.0% | 10.0% | 11.7% | PSV |
| ENROLLMENT, fall total, 2 & 4 year institutions | 64,406 | 64,487 | 65,631 | n/a | PEC |
| DEGREES GRANTED BY NH COLLEGES | 14,039 | 13,809 | 13,286 | n/a | PEC |
| Associate degrees | 4,077 | 3,282 | 2,904 | n/a | PEC |
| Bachelor degrees | 7,395 | 7,787 | 7,602 | n/a | PEC |
| Postgraduate degrees including first professional | 2,567 | 2,740 | 2,780 | n/a | PEC |
| By Selected Concentration: | | | | | |
| Business management and administration | 3,829 | 3,486 | 3,346 | n/a | PEC |
| Health sciences including M.D. | 1,431 | 1,531 | 1,248 | n/a | PEC |
| Engineering | 651 | 547 | 532 | n/a | PEC |
| Computer and information sciences | 339 | 323 | 408 | n/a | PEC |

Challenge Fund, the Department of Education itself conducted the technology survey. The intent was to pose more finely-tuned queries about computer technology in each school. For example, the survey asked not just whether the school had support staff and technical maintenance for the technology, but whether the support was full or part time, and whether it functioned in the particular school or at the district level. The results from the 453 K-12 public schools (buildings) that responded to the survey are presently being processed into a final report.

Preliminary results from the survey indicated that 308 or 67.9 percent of the schools had technical support at the district level, while 30 or 6.6 percent had full time in-school support staff available. Eighty-nine or 19.6 percent of the schools had no support or technical staff on a planned basis. In 213 schools (47.0 percent) more than 50 percent of the students and teachers had e-mail. Less than 50 percent of the students and teachers in 96 schools (21.2 percent) had e-mail. An internet connection was available in either a library or computer lab in 97 (21.4 percent) of the schools, but 28 schools (6.2 percent) did not have any internet access. When asked if the school used a filtering system on their computers, 126 (27.8 percent) responded 'yes' and 296 (65.3 percent) answered 'no.'

## Excellence in Teaching

As recognized by the Best Schools Initiative and a recent Statement on Education issued by the New Hampshire Board of Education, excellence in teaching is dependent upon effective, knowledgeable teachers. Each school district or administrative unit must prepare and have on file with the New Hampshire Department of Education a five-year master plan for staff development and recertification. The master plan should be consistent with, and support, seven major staff development components:

- ❑ Character and citizenship education;
- ❑ Professional skills necessary to carry out a job assignment;

- ❑ Knowledge of learners and learning, including the various processes by which learning occurs;
- ❑ Knowledge of the school's role, organization, and operation as the institution relates to the community;
- ❑ Exploratory or innovative activities;
- ❑ The educational application of technology;
- ❑ Internet use.

The creation of a Long-Range Professional Development Plan is central to that effort. The Department of Education continues to conduct statewide forums to solicit input from educators and other interested persons to form policy recommendations for both pre-service and in-service professional development initiatives. In addition, before becoming initially certified to teach in New Hampshire, prospective teachers must pass a test of basic skills in reading, writing, and mathematics. Since the start date of the test in September 1998, about 80 percent of those taking the test have passed it.

**Per Pupil Construction Costs Decreased $217 in the 1997-98 School Year**

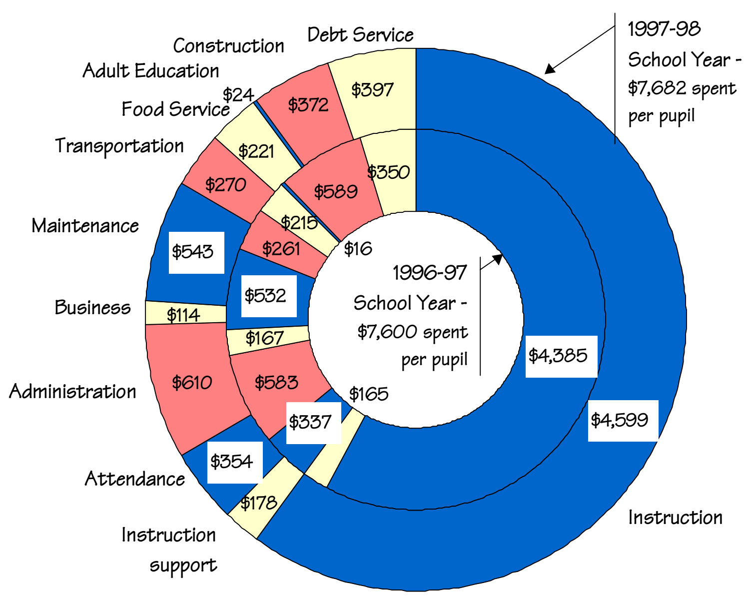



Figure 2.b: New Hampshire Per Pupil Expenditures for the 1996-1997 and 1997-1998 School Years

## Quality Learning Environments

This point in the Best Schools Initiative agenda addresses the issue of learning settings and their impact on educational achievement. It questions the impact of the learning setting from a broad base, including the quality and appropriateness of the facility itself, together with the inclusion of the community and business settings as places of learning. The Office of School Building Aid collects and processes information on educational specifications, plans, site considerations, and financing methodologies. This office provides leadership and resources to facilitate the planning and financing of school facilities.

A Request for Proposal was developed by the Department of Education that will meet the requirements of a law passed in 1998 addressing the adequacy and condition of public school facilities. The law stipulates that the State Board of Education shall commission a statewide qualitative study to determine the adequacy and condition of all New Hampshire public school facilities and make recommendations to the Legislature and the Governor by September 1, 2000.

The New Hampshire State School-to-Work (STW) Initiative is fundamental to community and business involvement as one part of the learning setting through the development of local partnerships. STW received it fifth and final year of funding from the Federal Departments of Education and Labor in 1999. The fifth year funding will support those local partnerships entering their third year of funding. New Hampshire STW also won supplemental funds as a result of a competitive Request for Proposal. These funds will support the development of additional work-based learning opportunities for students, and provide training and technical support to local partnerships in the implementation of the Career Development Curriculum Framework.

*Rosanne Marney-Hay*

# 3. Labor Force and Unemployment

Local Area Unemployment Statistics (LAUS) showed a labor force expanding by 7,000 residents in 1998. There were an estimated 8,000 more residents employed and 1,000 fewer unemployed. Preliminary estimates for 1999 project even greater growth. An average of the first 10 months of the year shows an additional 21,000 employed residents with 2,000 fewer unemployed, as the labor force expanded by 19,000. This growth reflects the increase in jobs offered by New Hampshire employers, seen in Nonfarm Wage and Salary Employment (Chapter 4), and also captures the employment of New Hampshire residents in other states, primarily Massachusetts.

## Unemployment Rate

New Hampshire's unemployment rate for 1998 was 2.9 percent, the lowest annual rate since 1988. New Hampshire was tied with South Dakota and Virginia for the fourth lowest unemployment rate in the nation. Minnesota had the lowest at 2.5 percent. Nebraska and Iowa follow with 2.7 and 2.8 respectively. West Virginia, at 6.6 percent unemployment, had the highest state rate. In 1997 Alaska had the highest rate at 7.9 percent. Its rate fell 2.1 percentage points to 5.8 percent in 1998.

The New England unemployment rate decreased from 4.4 percent in 1997 to 3.5 percent in 1998. New Hampshire's unemployment rate has been below New England's rate since 1991. The U.S. unemployment rate dropped from 4.9 percent in 1997 to 4.5 percent in 1998. New Hampshire's unemployment rate was higher than the U.S. unemployment rate during the first three years in this decade. Subsequent to 1992 the state has been consistently below the U.S. average.

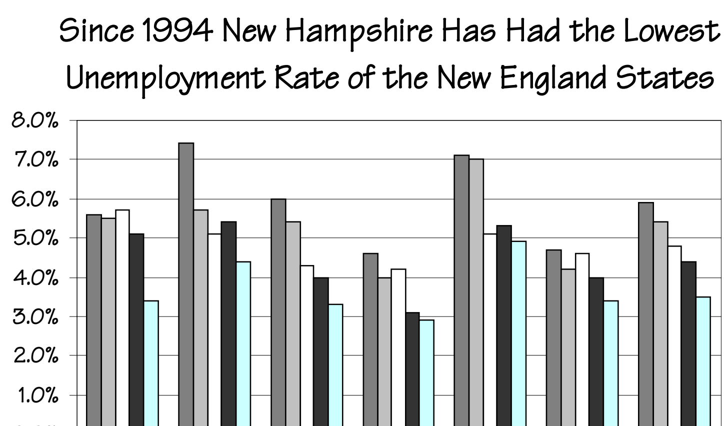
## Unemployment Claims

Unemployment claims continued to decrease. In 1998 weeks compensated dropped below 150,000. Benefits paid decreased 13.7 percent over 1997. Average duration of weeks claimed is the lowest it has been since 1989.

**New Hampshire's unemployment rate for 1998 was 2.9 percent, the lowest annual average since 1988.**

New Hampshire ranked second lowest, for the second straight year, in average benefits paid per covered worker. All other areas of unemployment decreased except for average weekly benefit amount, which increased to $183.12.

There were two labor disputes in 1998. The first strike left 160 workers idle




| | CT | ME | MA | NH | RI | VT | New England |
|---|---|---|---|---|---|---|---|
| 1994 | 5.6% | 7.4% | 6.0% | 4.6% | 7.1% | 4.7% | 5.9% |
| 1995 | 5.5% | 5.7% | 5.4% | 4.0% | 7.0% | 4.2% | 5.4% |
| 1996 | 5.7% | 5.1% | 4.3% | 4.2% | 5.1% | 4.6% | 4.8% |
| 1997 | 5.1% | 5.4% | 4.0% | 3.1% | 5.3% | 4.0% | 4.4% |
| 1998 | 3.4% | 4.4% | 3.3% | 2.9% | 4.9% | 3.4% | 3.5% |

Figure 3.a: New England and its States
Seasonally Adjusted Unemployment Rates, 1994 - 1998

| 3. Labor Force and Unemployment | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| CIVILIAN LABOR FORCE (annual average) | 634,000 | 624,000 | 645,000 | 652,000 | BLS |
| Annual percent change | 1.6% | -1.6% | 3.4% | 1.1% | BLS/NHES |
| Labor force participation rate | 72.5% | 70.2% | 71.8% | 71.6% | BLS |
| United States rank | 6 | 13 | 8 | Tie 11 | BLS |
| Male participation rate | 80.2% | 78.2% | 79.0% | 77.5% | BLS |
| United States rank | 4 | 10 | 6 | Tie 12 | BLS |
| Female participation rate | 65.3% | 62.9% | 64.9% | 66.1% | BLS |
| United States rank | Tie 8 | 18 | 13 | Tie 8 | BLS |
| EMPLOYED (annual average) | 609,000 | 597,000 | 625,000 | 633,000 | BLS |
| Annual percent change | 2.4% | -2.0% | 4.7% | 1.3% | BLS/NHES |
| Work full-time | 80.1% | 80.4% | 80.0% | n/a | BLS |
| UNEMPLOYED (annual average) | 25,000 | 26,000 | 20,000 | 19,000 | BLS |
| Unemployment rate (annual average) | | | | | |
| New Hampshire | 4.0% | 4.2% | 3.1% | 2.9% | BLS |
| United States rank (1=lowest) | 8 | Tie 10 | 3 | Tie 4 | BLS |
| New England | 5.4% | 4.8% | 4.4% | 3.5% | BLS |
| United States | 5.6% | 5.4% | 4.9% | 4.5% | BLS |
| Men | | | | | |
| New Hampshire | 3.7% | 3.9% | 3.0% | 2.8% | BLS |
| New England | 5.6% | 5.0% | 4.8% | 3.8% | BLS |
| United States | 5.6% | 5.4% | 4.9% | 4.4% | BLS |
| Women | | | | | |
| New Hampshire | 4.3% | 4.5% | 3.3% | 3.0% | BLS |
| New England | 5.1% | 4.5% | 4.0% | 3.1% | BLS |
| United States | 5.6% | 5.4% | 5.0% | 4.6% | BLS |
| Teenagers (16-19) | | | | | |
| New Hampshire | 11.8% | 15.3% | 11.5% | 9.7% | BLS |
| New England | 13.7% | 14.6% | 13.4% | 11.0% | BLS |
| United States | 17.3% | 16.7% | 16.0% | 14.6% | BLS |
| Unemployment of the "experienced" civilian labor force | 3.8% | 4.0% | 3.0% | 2.9% | BLS |
| By occupation: | | | | | |
| Executive, administrative, and managerial | 2.7% | 2.2% | 0.6% | 1.5% | BLS |
| Professional specialty | 1.4% | 1.9% | 1.8% | 2.1% | BLS |
| Technicians and related support | 6.1% | 3.2% | NP | NP | BLS |
| Sales | 4.0% | 4.4% | 3.0% | 2.7% | BLS |
| Administrative support, including clerical | 3.6% | 2.7% | 2.6% | 1.9% | BLS |
| Service occupations | 5.4% | 8.3% | 5.2% | 5.0% | BLS |
| Precision production, craft, and repair | 4.9% | 2.9% | 2.7% | 3.5% | BLS |
| Machine operators, assemblers, and inspectors | 3.3% | 4.1% | 2.1% | 3.3% | BLS |
| Transportation and material moving | 2.5% | 7.8% | NP | NP | BLS |
| Handlers, equipment cleaners, helpers, laborers | 7.9% | 10.9% | NP | NP | BLS |
| By industry: | | | | | |
| Construction | 6.8% | 7.6% | 6.0% | NP | BLS |
| Manufacturing | 4.3% | 2.9% | 2.4% | 2.7% | BLS |
| Durable goods | 3.7% | 2.5% | 2.6% | 2.3% | BLS |
| Nondurable goods | 5.7% | 3.9% | 2.1% | 4.0% | BLS |
| Transportation, communication, and utilities | 1.9% | 3.9% | NP | 2.1% | BLS |
| Trade | 4.7% | 6.2% | 4.8% | 4.0% | BLS |
| Finance, insurance, and real estate | 4.1% | 2.5% | 1.2% | 2.2% | BLS |
| Services | 3.9% | 3.9% | 3.1% | 3.3% | BLS |
| Government | 1.5% | 3.2% | 1.6% | 0.6% | BLS |

| 3. Labor Force and Unemployment (continued) | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| UNEMPLOYED (annual average) continued | | | | | |
| Percent of total unemployed: | | | | | |
| Unemployed 15 weeks or more | 31.2% | 29.4% | NP | NP | BLS |
| United States rank (of 51, 1=lowest) | 34 | 27 | n/a | n/a | BLS |
| Unemployed because lost job | 44.3% | 45.2% | NP | NP | BLS |
| United States rank (1=lowest) | Tie 20 | 2800.0% | n/a | n/a | BLS |
| UNEMPLOYMENT INSURANCE | | | | | |
| Weeks compensated for unemployment (UI) | 224,708 | 232,796 | 189,837 | 147,742 | NHES |
| Benefits paid, unemployment insurance (000) | 32,920 | 35,180 | 30,591 | 26,399 | NHES |
| Average duration, benefit payments (weeks) | 10 | 10 | 11 | 10 | UIS |
| United States average | 15 | 15 | 15 | 14 | UIS |
| United States rank (1=lowest) | 4 | 3 | 7 | 3 | UIS/NHES |
| Average benefits paid per covered worker | 63 | 66 | 55 | 47 | UIS |
| United States rank (including D.C., 1=lowest) | 3 | 3 | 2 | 2 | UIS/NHES |
| National average | 190 | 190 | 168 | 162 | UIS |
| Average weekly benefit amount | | | | | |
| New Hampshire | 148 | 153 | 165 | 183 | UIS |
| United States | 187 | 189 | 193 | 200 | UIS |
| LABOR DISPUTES | | | | | |
| Number of companies | 3 | 0 | 1 | 2 | NHES |
| Employees involved | 363 | 0 | 830 | 178 | NHES |

NP = not publishable, does not meet BLS standards

from Bell Atlantic. The strike ended on the third day when an agreement was made. The second strike was with Northwest Pilots Association. The strike lasted for 16 days and left 18 workers idle.

*Gail Houston*

New Hampshire Had the Lowest Average Duration of Benefits Paid in New England in 1998

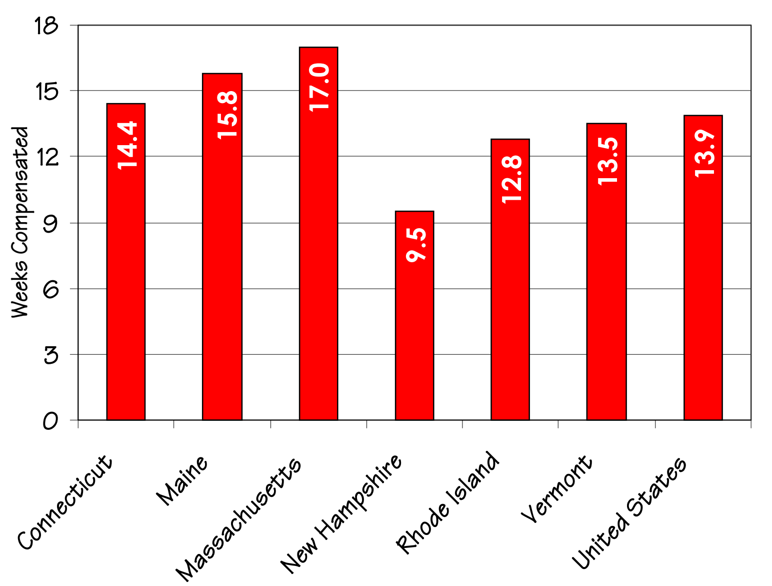



Figure 3.b: Average Duration of Benefits Paid in 1998

# 4. Employment by Industry

The expected slowing of New Hampshire's nonfarm employment growth did not happen in 1998. In fact, nonfarm employment sustained a constant 3.0 percent level of growth for both 1997 and 1998. The gain in the number of jobs was also convincing. Nonfarm employment reached 587,500 in 1998, a gain of 17,300 over 1997, the highest increase since 1994.

**From 1995 to 1998 the state's 6.1 percent increase in total jobs represented the greatest rate of growth among the six states in the region.**

The Granite State's nonfarm employment has consistently been growing at a faster rate than other states. For the seventh straight year, New Hampshire's rate of nonfarm employment growth exceeded the rates for both New England and the nation. From 1995 to 1998 the state's 6.1 percent increase in total jobs represented the greatest rate of growth among the six states in the region. New Hampshire's employment grew 21.9 percent from 1991 to 1998.

New Hampshire's Rate of Cumulative Nonfarm Employment Growth Led the Region and the Nation from 1991 to 1998

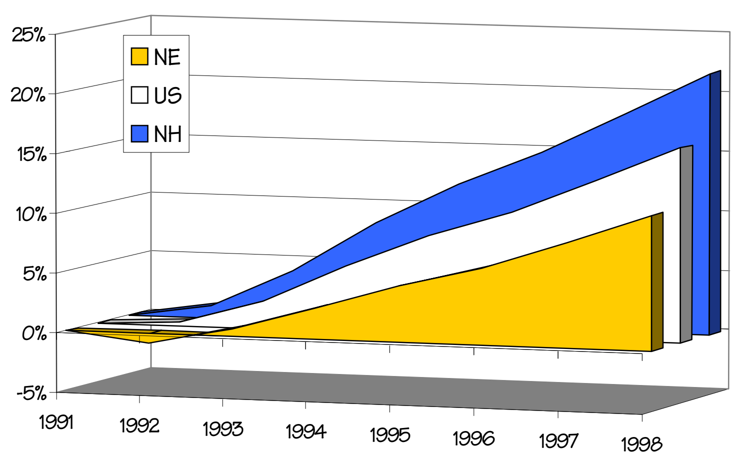



Figure 4.a: Nonfarm Employment Cumulative Rate of Growth from 1991

The distribution of the gains among New Hampshire's economic divisions was also impressive. Every significant industry division gained employment in both 1997 and 1998. They also compared well to the region and the nation. Except for the government sector, employment growth in all of these industries exceeded rates of growth for both New England and the U.S. in 1998.

From 1995 to 1998 the Granite State's 6.9 percent manufacturing employment growth led all other New England states. New Hampshire's 108,300 manufacturing employees in 1998 marked an increase of 1.0 percent from 1997. It exceeded the growth rates for both New England and the U.S. during the same time period. The state claimed more than one in ten New England manufacturing jobs in 1998.

Services employment growth accelerated from 3.1 percent in 1997 to 4.7 percent in 1998. The spurt in 1998 surpassed the nation's 4.1 percent rate of Services employment growth.

Employment growth in Transportation and public utilities accelerated from a gain of 0.5 percent in 1997 to a 5.2 percent increase in 1998. This followed a loss of 1.0 percent in 1996. New Hampshire's growth was greater than that of the U.S. in 1998.

Construction employment experienced the greatest rate of growth among New Hampshire's divisions in 1998. It increased 9.6 percent, well above the 5.2 percent U.S. rate.

The Granite State's rate of total government employment growth has decelerated from 2.2 percent in 1996 to 0.5 percent in 1998. New Hampshire's government employment growth was less than the U.S. rate of 1.3 percent in 1998.

| 4. Employment by Industry | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| NONFARM WAGE AND SALARY EMPLOYMENT | | | | | |
| ANNUAL EMPLOYMENT AVERAGES (1998 preliminary) | | | | | |
| All industries | 539,700 | 553,600 | 570,200 | 587,500 | NHES |
| Private | 463,500 | 475,700 | 491,400 | 508,300 | NHES |
| Goods producing | 122,400 | 125,100 | 128,600 | 131,700 | NHES |
| Construction | 19,400 | 20,200 | 20,900 | 22,900 | NHES |
| Manufacturing | 102,600 | 104,400 | 107,200 | 108,300 | NHES |
| Durable goods manufacturing | 69,500 | 71,600 | 73,900 | 75,600 | NHES |
| Industrial machinery and equipment | 18,800 | 18,400 | 18,200 | 18,200 | NHES |
| Electronic & other electric equipment | 16,800 | 18,400 | 19,500 | 19,900 | NHES |
| Instruments and related products | 10,800 | 11,200 | 11,500 | 11,500 | NHES |
| Nondurable goods manufacturing | 33,100 | 32,800 | 33,300 | 32,700 | NHES |
| Paper | 4,700 | 4,500 | 4,400 | 4,200 | NHES |
| Printing and publishing | 7,800 | 7,700 | 7,600 | 7,700 | NHES |
| Rubber and misc. plastics products | 9,000 | 9,100 | 9,500 | 9,400 | NHES |
| Service Producing | 417,300 | 428,600 | 441,700 | 455,800 | NHES |
| Transportation and public utilities | 19,500 | 19,300 | 19,400 | 20,400 | NHES |
| Transportation | 10,700 | 10,900 | 11,000 | 12,200 | NHES |
| Trade | | | 148,600 | 152,300 | NHES |
| Wholesale trade | 25,800 | 26,700 | 29,200 | 30,300 | NHES |
| Retail trade | 115,100 | 116,300 | 119,500 | 122,000 | NHES |
| General Merchandise Stores | 14,100 | 14,300 | 14,700 | 14,700 | NHES |
| Food Stores | 20,700 | 20,800 | 21,000 | 20,900 | NHES |
| Automotive Dealers & Service Stations | 11,900 | 12,400 | 13,200 | 13,600 | NHES |
| Eating and Drinking Places | 34,200 | 35,200 | 36,300 | 37,000 | NHES |
| Finance, insurance, and real estate | 28,600 | 28,300 | 29,800 | 31,200 | NHES |
| Insurance | 13,000 | 12,800 | 13,500 | 13,800 | NHES |
| Services | 152,100 | 160,100 | 165,000 | 172,800 | NHES |
| Hotels and other Lodging Places | 8,500 | 8,700 | 8,900 | 9,200 | NHES |
| Business Services | 24,200 | 27,300 | 29,200 | 31,100 | NHES |
| Health services | 45,600 | 47,100 | 47,800 | 48,900 | NHES |
| Hospitals | 18,900 | 19,100 | 19,500 | 19,800 | NHES |
| Total Government | 76,200 | 77,900 | 78,800 | 79,200 | NHES |
| ANNUAL EMPLOYMENT PERCENT CHANGES | | | | | |
| All industries | | | | | |
| New Hampshire | 3.2% | 2.6% | 3.0% | 3.0% | NHES |
| New England | 2.0% | 1.7% | 2.2% | 2.3% | NHES/BLS |
| United States | 2.7% | 2.1% | 2.6% | 2.6% | NHES/BLS |
| Private | | | | | |
| New Hampshire | 3.7% | 2.6% | 3.3% | 3.4% | NHES |
| New England | 2.2% | 1.8% | 2.4% | 2.4% | NHES/BLS |
| United States | 3.0% | 2.4% | 2.9% | 2.8% | NHES/BLS |
| Manufacturing | | | | | |
| New Hampshire | 2.3% | 1.8% | 2.7% | 1.0% | NHES |
| New England | -0.6% | -0.8% | 0.5% | 0.3% | NHES/BLS |
| United States | 3.0% | 2.4% | 2.9% | 2.8% | NHES/BLS |
| Durable goods | | | | | |
| New Hampshire | 2.8% | 3.0% | 3.2% | 2.3% | NHES |
| United States | 2.2% | 1.0% | 2.0% | 1.5% | NHES/BLS |
| Nondurable goods | | | | | |
| New Hampshire | 1.2% | -0.9% | 1.5% | -1.8% | NHES |
| United States | -0.4% | -1.7% | -0.5% | -0.8% | NHES/BLS |
| Construction | | | | | |
| New Hampshire | 9.0% | 4.1% | 3.5% | 9.6% | NHES |
| United States | 3.5% | 5.0% | 5.0% | 5.2% | NHES/BLS |

| 4. Employment by Industry (continued) | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| Transportation and Public Utilities | | | | | |
| New Hampshire | 2.6% | -1.0% | 0.5% | 5.2% | NHES |
| United States | 2.5% | 2.0% | 2.5% | 3.0% | NHES/BLS |
| Wholesale Trade | | | | | |
| New Hampshire | 7.5% | 3.5% | 9.4% | 3.8% | NHES |
| United States | 3.5% | 1.6% | 2.6% | 2.8% | NHES/BLS |
| Retail Trade | | | | | |
| New Hampshire | 3.8% | 1.0% | 2.8% | 2.1% | NHES |
| United States | 3.3% | 1.9% | 1.7% | 1.5% | NHES/BLS |
| Finance, Insurance, and Real Estate | | | | | |
| New Hampshire | -2.4% | -1.0% | 5.3% | 4.7% | NHES |
| United States | -1.3% | 1.5% | 2.9% | 4.2% | NHES/BLS |
| Services | | | | | |
| New Hampshire | 4.8% | 5.3% | 3.1% | 4.7% | NHES |
| United States | 4.9% | 4.0% | 4.6% | 4.1% | NHES/BLS |
| Federal, State, and Local Government | | | | | |
| New Hampshire | 0.0% | 2.2% | 1.2% | 0.5% | NHES |
| United States | 0.9% | 0.6% | 0.7% | 1.3% | NHES/BLS |

Preliminary nonfarm employment estimates are based on a sample of employers surveyed by the Current Employment Statistics (CES) program. These include railroad employment and such noncovered groups as employees of religious organizations and work study students.

Unbenchmarked not seasonally adjusted nonfarm numbers revealed an all time October high of 602,500 employees in 1999, up 1.2 percent from October 1998. Monthly 1999 nonfarm estimates will be revised at year's end in the annual benchmarking process. This process integrates data gathered from unemployment compensation tax reports with monthly employer sample data and additional employment numbers of those presumed not covered. The final benchmark of 1998 nonfarm employment estimates along with the preliminary 1999 benchmark are scheduled to be published in the March 2000 issue of Economic Conditions. The preliminary benchmark is completed using as many quarters of tax data as are available. A year later a final benchmark is produced using the full year of covered employment data.

*Bruce Olinsky*

The Growth in New Hampshire Nonfarm Employment Continued in 1999

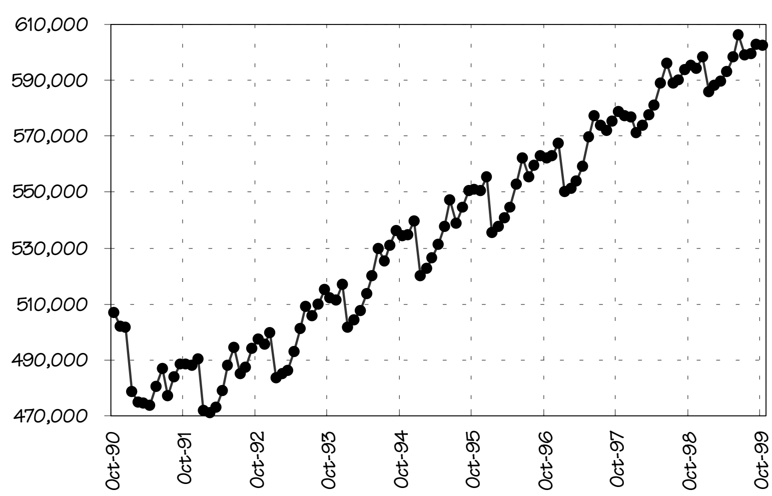



Figure 4b: Total Nonfarm Employment Not Seasonally Adjusted October 1990 to October 1999

# 5. Private Enterprise

The total number of private companies with employment, as measured every March for the "Firms by Size" report, increased 9.8 percent from 29,129 in 1995 to 31,917 in 1998. The net annual change in the number of employees accelerated from 12,383 from 1995 to 1996 to 20,500 from 1997 to 1998.

## Companies by Size

Over three-fourths of the companies in the Granite State had fewer than ten employees in 1998. These firms offered slightly over 15 percent of the jobs in the state. Many small companies, located in historic downtown commercial zones of New Hampshire's cities and towns, remain an integral part of the culture and charm of the state.

Only 2.1 percent of all New Hampshire companies had 100 or more workers in 1998. These large companies, however, employed nearly half (47.4 percent) of all Granite State workers in 1998.

## High Tech Industries

High tech industries have been defined by clusters of three digit Standard Industrial Classification (SIC) codes. The groupings have been developed by an Occupational Employment Survey in the late 1980s. The survey identified thirty industries having at least 50 percent more research and development (R&D) workers than the average for all industries. The industries were classified as R&D intensive. Ten additional industries were identified as R&D moderate high tech. All forty industries are shown in the accompanying table.

**Annual average weekly wage growth in R&D intensive high technology industries accelerated from 5.2 percent in 1995 to 7.9 percent in 1998.**

High tech employment and wages have been booming from 1995 to 1998. R&D intensive high tech industries' total wages skyrocketed 41.6 percent from $2.1 billion in 1995 to $3.0 billion in 1998. Average annual employment increased 16.0 percent from 49,924 in 1995 to 57,935 in 1998. Average weekly wage soared 22.0 percent from $827.86 in 1995 to $1,009.83 in 1998. Every year during this period marked an increasing rate of growth. Annual average weekly wage growth in R&D intensive high tech industries accelerated from 5.2 percent in 1995 to 7.9 percent in 1998.

R & D Intensive High Tech Employment and Wages Increased Substantially From 1995 to 1998

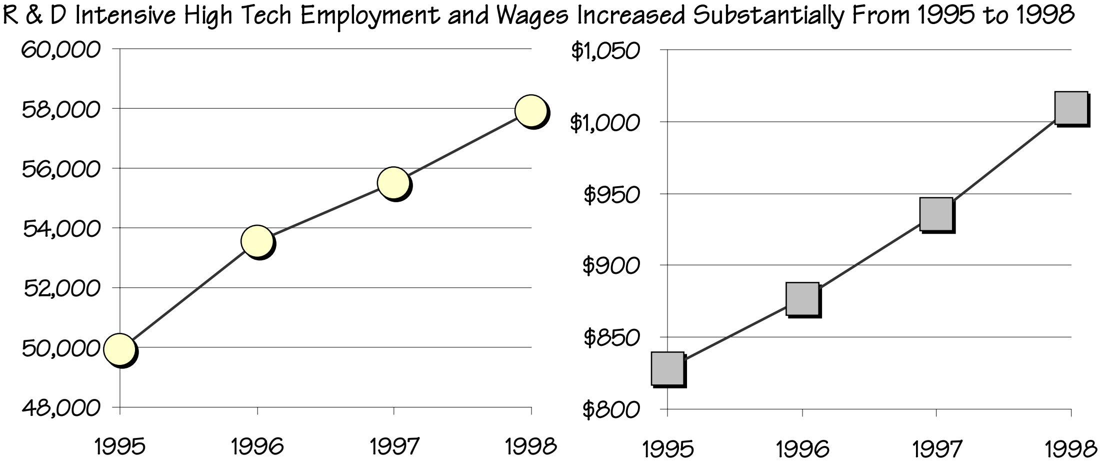



Figure 5.b: R & D Intensive Average Annual Employment and Wages

| 5. Private Enterprise | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| FIRMS BY SIZE[1] | | | | | |
| TOTAL NUMBER OF FIRMS with employment | 29,129 | 30,149 | 30,825 | 31,917 | NHES |
| 1 - 4 employees | 16,485 | 17,227 | 17,615 | 18,301 | NHES |
| 5 - 9 employees | 5,808 | 5,863 | 5,977 | 6,080 | NHES |
| 10 - 19 employees | 3,303 | 3,451 | 3,517 | 3,618 | NHES |
| 20 - 49 employees | 2,164 | 2,205 | 2,246 | 2,397 | NHES |
| 50 - 99 employees | 755 | 776 | 821 | 846 | NHES |
| 100 - 249 employees | 397 | 403 | 423 | 441 | NHES |
| 250 - 499 employees | 127 | 132 | 132 | 135 | NHES |
| 500 - 999 employees | 54 | 58 | 58 | 59 | NHES |
| 1,000 & over employees | 36 | 34 | 36 | 40 | NHES |
| NET ANNUAL CHANGE IN NUMBER OF FIRMS | 975 | 1,020 | 676 | 1,092 | NHES |
| NET ANNUAL CHANGE IN NUMBER OF EMPLOYEES | 18,846 | 12,383 | 14,242 | 20,500 | NHES |
| 1 - 4 employees | 857 | 1,277 | 711 | 825 | NHES |
| 5 - 9 employees | 1,703 | 370 | 823 | 731 | NHES |
| 10 - 19 employees | 1,504 | 1,790 | 1,105 | 1,004 | NHES |
| 20 - 49 employees | 3,238 | 1,446 | 1,038 | 4,984 | NHES |
| 50 - 99 employees | 1,787 | 1,198 | 2,792 | 2,170 | NHES |
| 100 - 249 employees | 3,434 | 622 | 3,940 | 3,343 | NHES |
| 250 - 499 employees | 3,939 | 1,949 | 477 | 990 | NHES |
| 500 - 999 employees | 4,546 | 1,895 | (574) | 4 | NHES |
| 1,000 & over employees | (162) | (164) | 3,930 | 6,449 | NHES |
| PERCENT OF TOTAL EMPLOYMENT (by size of firm) | | | | | |
| 1 - 4 employees | 7.7% | 7.6% | 7.5% | 7.4% | NHES |
| 5 - 9 employees | 8.6% | 8.5% | 8.4% | 8.2% | NHES |
| 10 - 19 employees | 10.2% | 10.2% | 10.1% | 9.9% | NHES |
| 20 - 49 employees | 14.7% | 14.7% | 14.5% | 14.9% | NHES |
| 50 - 99 employees | 12.0% | 11.8% | 12.1% | 12.0% | NHES |
| 100 - 249 employees | 13.1% | 13.1% | 13.5% | 13.6% | NHES |
| 250 - 499 employees | 9.2% | 9.9% | 9.7% | 9.5% | NHES |
| 500 - 999 employees | 8.0% | 8.9% | 8.5% | 8.2% | NHES |
| 1,000 & over employees | 16.5% | 15.3% | 15.7% | 16.4% | NHES |
| PERCENT OF ALL ESTABLISHMENTS WITH 100 OR MORE WORKERS | | | | | |
| (ranked from highest among fifty states) | | | | | |
| New Hampshire | 2.0% | 2.0% | 2.1% | n/a | CB/NHES |
| United States rank | 34 | 34 | 33 | n/a | CB/NHES |
| Connecticut | 2.4% | 2.4% | 2.5% | n/a | CB/NHES |
| United States rank | 17 | 15 | 13 | n/a | CB/NHES |
| Maine | 1.7% | 1.7% | 1.7% | n/a | CB/NHES |
| United States rank | 43 | 44 | 44 | n/a | CB/NHES |
| Massachusetts | 2.7% | 2.7% | 2.8% | n/a | CB/NHES |
| United States rank | 2 | 4 | 3 | n/a | CB/NHES |
| Rhode Island | 2.0% | 2.0% | 2.1% | n/a | CB/NHES |
| United States rank | 32 | 35 | 31 | n/a | CB/NHES |
| Vermont | 1.3% | 1.4% | 1.4% | n/a | CB/NHES |
| United States rank | 48 | 49 | 48 | n/a | CB/NHES |

[1] Firms by size numbers are based on March covered employment data in each calendar year

| 5. Private Enterprise | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| TOTAL EMPLOYMENT & WAGES, HIGH TECH INDUSTRIES | | | | | |
| Average annual number of employing units | 3,271 | 3,542 | 3,770 | 3,987 | NHES |
| Average annual employment | 62,316 | 66,023 | 67,824 | 69,341 | NHES |
| Total wages (millions of dollars) | $2,564 | $2,871 | $3,157 | $3,478 | NHES |
| Average weekly wages | $791.11 | $836.14 | $894.99 | $964.63 | NHES |
| R&D-INTENSIVE | | | | | |
| Average annual number of employing units | 2,950 | 3,213 | 3,440 | 3,650 | NHES |
| Average annual employment | 49,924 | 53,551 | 55,491 | 57,935 | NHES |
| Total wages (millions of dollars) | $2,149 | $2,440 | $2,699 | $3,042 | NHES |
| Average weekly wages | $827.86 | $876.26 | $935.50 | $1,009.83 | NHES |
| NEW & TERMINATED FIRMS COVERED BY UNEMPLOYMENT COMPENSATION | | | | | |
| New firms | 4,988 | 4,961 | 6,135 | 5,976 | NHES |
| Terminated firms | 5,044 | 5,049 | 6,025 | 5,261 | NHES |
| NEW FIRMS from NH Office of Business and Industrial Development | | | | | |
| New firms: Number of companies | 33 | 19 | 29 | 43 | OBID |
| Floor space (1,000 square feet): Total | 1,326 | 1,103 | 1,046 | 1,076 | OBID |
| INCORPORATIONS | | | | | |
| New incorporations in New Hampshire | 3,095 | 3,070 | 2,794 | 2,346 | SST |
| Out-of-State incorporations new to New Hampshire | 1,104 | 1,381 | 1,455 | 1,461 | SST |
| LIMITED LIABILITY (LL) COMPANIES | | | | | |
| New LL companies in New Hampshire | 617 | 795 | 1,337 | 2,272 | SST |
| Out-of-State LL companies new to New Hampshire | 43 | 66 | 458 | 253 | SST |

## New Incorporations

Limited liability companies have become a popular alternative to incorporation since their introduction to New Hampshire in 1993. They enjoy the asset protection of a corporation without the disadvantage of both corporation and stockholder taxes. Their attraction was further encouraged in August 1997 by the reduction in the minimum number of persons required in a limited liability company from two or more to one or more in August 1997. The number of new limited liability companies in New Hampshire skyrocketed 368.2 percent from 617 in 1995 to 2,272 in 1998. During the same time period, the number of new incorporations in New Hampshire dropped 24.2 percent from 3,095 to 2,346.

New Hampshire's attraction to out-of-state businesses has gained momentum. The number of out-of-state incorporations new to the Granite State increased 32.3 percent from 1,104 in 1995 to 1,461 in 1998.

*Bruce Olinsky*

More than Half of All New Hampshire workers are Employed in Companies of Sizes Ranging from 10 to 249 Employees

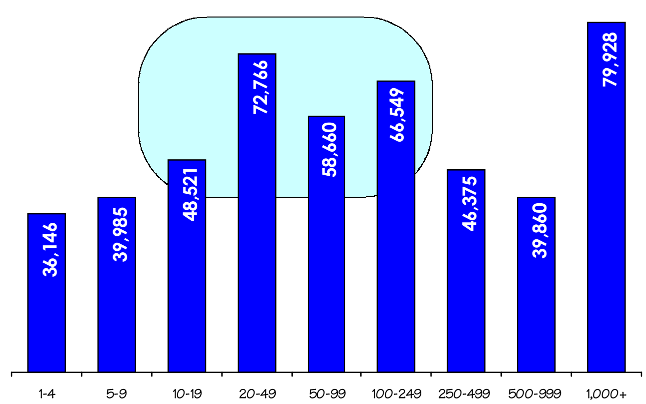



Figure 5.b: Number of Employees in Private Covered Employment in 1998

## THREE-DIGIT SIC INDUSTRIES CLASSIFIED AS HIGH TECH

| SIC | Industry | Level I (R&D Intensive) | Level II (R&D Moderate) | Manufacturing Civilian | Defense |
|---|---|---|---|---|---|
| 131 | Crude petroleum and natural gas operations | X | | | |
| 211 | Cigarettes | X | | X | |
| 229 | Miscellaneous textile goods | | X | | |
| 261 | Pulp mills | | X | | |
| 267 | Miscellaneous converted paper products | | X | | |
| 281 | Industrial inorganic chemicals | X | | X | |
| 282 | Plastics materials and synthetics | X | | X | |
| 283 | Drugs | X | | X | |
| 284 | Soap, cleaners, and toilet goods | X | | X | |
| 285 | Paints and allied products | X | | X | |
| 286 | Industrial organic chemicals | X | | X | |
| 287 | Agricultural chemicals | X | | X | |
| 289 | Miscellaneous chemical products | X | | X | |
| 291 | Petroleum refining | X | | X | |
| 299 | Miscellaneous petroleum and coal products | X | | X | |
| 335 | Nonferrous rolling and drawing | X | | X | |
| 348 | Ordnance and accessories, not elsewhere classified | | X | | |
| 351 | Engines and turbines | | X | | |
| 355 | Special industry machinery | X | | X | |
| 356 | General industrial machinery | | X | | |
| 357 | Computer and office equipment | X | | X | |
| 359 | Industrial machinery, not elsewhere classified | | X | | |
| 362 | Electrical industrial apparatus | X | | X | |
| 365 | Household audio and video equipment | | X | | |
| 366 | Communications equipment | X | | X | |
| 367 | Electronic components and accessories | X | | X | |
| 369 | Miscellaneous electrical equipment and supplies | | X | | |
| 371 | Motor vehicles and equipment | X | | X | |
| 372 | Aircraft and parts | X | | | X |
| 376 | Guided missiles, space vehicles, parts | X | | | X |
| 379 | Miscellaneous transportation equipment | | X | | |
| 381 | Search and navigation equipment | X | | | X |
| 382 | Measuring and controlling devices | X | | X | |
| 384 | Medical instruments and supplies | X | | X | |
| 386 | Photographic equipment and supplies | X | | X | |
| 737 | Computer and data processing services | X | | | |
| 871 | Engineering and architectural services | X | | | |
| 873 | Research and testing services | X | | | |
| 874 | Management and public relations | X | | | |
| 899 | Services, not elsewhere classified | X | | | |

Note: Manufacturing (both Civilian-Related and Defense-Related) High Tech industries are taken from Level I (research and development intensive industries) only.

# 6. Energy

Historically, New Hampshire has had high electricity prices. The 1995 price of $34.36 per million BTU was the highest in the nation for the third year in a row. In fact, New Hampshire has been in the top 10 states for highest electricity prices since 1987. The 1996 and 1997 electricity prices will not be available from the Energy Information Administration until the spring of 2000.

## Customer Choice / Deregulation

In August 1999 Public Service of New Hampshire (PSNH) reached an agreement with the Public Utilities Commission (PUC) that could end the federal litigation blocking electricity competition. Under the agreement, PSNH would be allowed to recover $1.9 billion in stranded costs and to issue $725 million in bonds to finance part of these costs (a process known as securitization). The proposed agreement is expected to reduce electric rates about 18 percent for households and businesses and open the door for electric competition.[1] During Phase One of this agreement, which ended on November 5th, PSNH and state officials who are supportive of the agreement offered testimony and responded to requests for information or clarification.

On November 8, 1999, the PUC announced that it would proceed with Phase Two of its examination of the proposed rate reduction and restructuring agreement between PSNH and the State of New Hampshire. During this phase other parties will have an opportunity to testify and offer evidence as to why the agreement ought to be modified or rejected outright. It is anticipated that PUC will hold Phase Two hearings in January 2000, following an exchange of date requests and responses.[2]

In September 1999 PSNH reached an agreement with the New Hampshire Electric Cooperative, the state's second largest electric utility. Under the agreement, the Co-op can offer its 70,000 customers significantly reduced rates and the ability to choose alternative energy suppliers. The Co-op currently purchases

**In August 1999 Public Service of New Hampshire (PSNH) reached an agreement with the Public Utilities Commission (PUC) that could end the federal litigation blocking electricity competition.**

nearly all of its power requirements from PSNH. This agreement will terminate the current power supply contract between the two companies, which has been the focus of regulatory disputes. As part of the agreement, PSNH will open its transmission and distribution facilities to the Co-op, providing the opportunity for Co-op members to purchase from a competitive energy supplier. The agreement will require regulatory review and approval.[3]

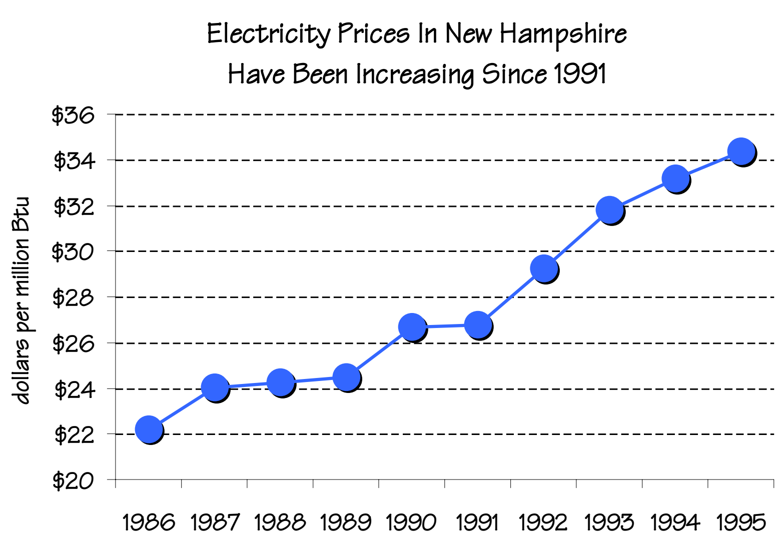



Figure 6.a: Electricity Prices in New Hampshire, 1986-1995

Consolidated Edison (Con Ed) wants to buy Northeast Utilities (NU), the parent company of PSNH. "The pending buyout should not affect the (PSNH) settlement because until the buyout is completed - up to eighteen months from now - PSNH remains a Northeast Utilities subsidiary."[4]

The buyout must be approved by shareholders of both companies, the Federal Energy Regulatory Commission, the Securities and Exchange Commission, the Nuclear Regulatory Commission, and state regulatory commissions. If approved, it would create a company with five million electric customers and 1.4 million natural gas customers.[5]

## Natural Gas

Natural gas is a light form of fossil fuel. It is derived from hydrocarbons produced thousands of years ago when plant and animal materials were buried beneath layers of soil and rock. Over time, heat and pressure combined to transform this mass into fossil fuels. Various hydrocarbons are removed from raw gas to create "sales quality gas."[6]

In early March 1999, Portland Natural Gas Transmission System (PNGTS) and TransQuebec & Maritimes Pipeline, Inc (TQM) announced the completion of the first high-capacity natural gas pipeline system to serve northern New England. This new link between Canada and the Northeast U.S. will provide shippers the opportunity to serve markets throughout the entire region.[7]

PNGTS is transporting up to 178 million cubic feet of natural gas per day from an interconnection with TransCanada PipeLines (through the TQM extension) to an interconnection with Tennessee Gas Pipeline in Haverhill, Mass. The system is being extended to interconnect with the Tennessee system in Dracut, Massachusetts. This should be completed by the end of 1999.[8]

On the U.S. side, PNGTS will transport natural gas through approximately 292 miles of 24- and 30-inch mainlines, including approximately 50 miles of variously sized laterals to provide new and expanded service to neighboring market areas in New Hampshire and Maine. In Canada, the TQM Extension includes approximately 136 miles of 24-inch mainline between Lachenaie and East Hereford, Quebec. PNGTS has long-term transportation contracts with eight shippers, including paper mills, power plants, gas utilities and third-party marketers.[9]

*Elisabeth Picard*

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[1] Energy Information Administration; *Status of Electric Industry Restructuring by State*, <www.eia.doe.gov/cneaf/electricity>, Nov 4, 1999

[2] Public Service of New Hampshire; "What's New", <www.psnh.com/dereg/dupdate.shtml>

[3] Public Service of New Hampshire; *PSNH and NH Electric Cooperative Achieve Agreement on Rates and Energy Supply*, <www.psnh.com/about/news>

[4] The Manchester Union Leader; *Con Ed buyout unsettles PSNH NH deal*, <www.theunionleader.com>, October 18, 1999

[5] Portsmouth Herald; *Con Ed to buy PSNH parent*, <www.seacoastonline.com/news/10_14d.htm>

[6] Maritimes & Northeast Pipeline, <www.mnp-usa.com/gas.html>

[7] Portsmouth Natural Gas Transmission System, <www.pngts.maine.com>

[8] Ibid.

[9] Ibid.

| 6. Energy | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| ELECTRICAL ENERGY PURCHASED | | | | | |
| Sales to Ultimate Customers (million KWH) | | | | | |
| New Hampshire: | | | | | |
| Total | 9,006 | 9,127 | 9,081 | 9,253 | PSNH |
| Percent change | 0.6% | 1.3% | -0.5% | 1.9% | PSNH/NHES |
| Residential | 3,384 | 3,427 | 3,368 | 3,390 | PSNH |
| Percent change | -1.3% | 1.3% | -1.7% | 0.7% | PSNH/NHES |
| Commercial | 3,224 | 3,239 | 3,248 | 3,319 | PSNH |
| Percent change | 0.2% | 0.5% | 0.3% | 2.2% | PSNH/NHES |
| Industrial | 2,286 | 2,334 | 2,339 | 2,400 | PSNH |
| Percent change | 4.8% | 2.1% | 0.2% | 2.6% | PSNH/NHES |
| New England: | | | | | |
| Total | 106,611 | 108,408 | 109,137 | 109,891 | PSNH |
| Percent change | 0.4% | 1.7% | 0.7% | 0.7% | PSNH/NHES |
| Residential | 38,177 | 38,792 | 38,639 | 38,483 | PSNH |
| Percent change | -0.9% | 1.6% | -0.4% | -0.4% | PSNH/NHES |
| Commercial | 41,159 | 42,224 | 42,967 | 44,170 | PSNH |
| Percent change | 1.9% | 2.6% | 1.8% | 2.8% | PSNH/NHES |
| Industrial | 25,880 | 26,007 | 26,085 | 25,859 | PSNH |
| Percent change | 1.8% | 0.5% | 0.3% | -0.9% | PSNH/NHES |
| NET ENERGY GENERATED (million KWH) | 13,936 | 15,419 | 14,264 | 14,238 | PSNH |
| As percentage of energy purchased | 154.7% | 169.2% | 157.4% | 153.9% | PSNH |
| As percentage of total generated by type | | | | | |
| Hydroelectric | 7.1% | 9.2% | 8.2% | 6.8% | PSNH |
| Fossil fuel | 32.8% | 26.9% | 35.4% | 34.2% | PSNH |
| Nuclear | 60.1% | 63.8% | 55.9% | 58.9% | PSNH |
| ENERGY EXPENDITURES PER CAPITA ($ per capita) | $2,015 | n/a | n/a | n/a | EIA |
| United States rank | 25 | n/a | n/a | n/a | EIA |
| ENERGY PRICES (dollars per million Btu) | $11 | n/a | n/a | n/a | EIA |
| United States rank | 3 | n/a | n/a | n/a | EIA |
| Petroleum prices (dollars per million Btu) | $8 | n/a | n/a | n/a | EIA |
| United States rank | 27 | n/a | n/a | n/a | EIA |
| Electric prices (dollars per million Btu) | $34 | n/a | n/a | n/a | EIA |
| United States rank | 1 | n/a | n/a | n/a | EIA |
| ENERGY CONSUMPTION | | | | | |
| Total consumption (trillion Btu) | 285 | 302 | 304 | n/a | EIA |
| Annual percent change | 0.4% | 6.2% | 0.7% | n/a | EIA/NHES |
| United States rank (percent change) | 40 | 45 | 45 | n/a | EIA/NHES |
| Types of energy consumption (percent of total) | | | | | |
| Residential | 27.6% | 27.8% | 27.2% | n/a | EIA |
| Commercial | 17.9% | 18.5% | 18.4% | n/a | EIA |
| Industrial | 26.2% | 26.2% | 25.3% | n/a | EIA |
| Transportation | 28.3% | 27.8% | 29.0% | n/a | EIA |
| Energy consumption per capita (million Btu) | 247.8 | 260.5 | 259.0 | n/a | EIA |
| United States rank (including D.C.) | 44 | 43 | 43 | n/a | EIA |
| Net Interstate flow of electricity/losses (million KWH) | (20,422) | (23,847) | n/a | n/a | EIA |
| FUEL CONSUMED TO GENERATE ELECTRICITY | | | | | |
| In equivalent barrels of oil | | | | | |
| New Hampshire total (thousand barrels) | 20,575 | 22,337 | 20,954 | 21,223 | PSNH |
| Oil | 1,816 | 1,508 | 1,843 | 2,372 | PSNH |
| Coal | 4,877 | 4,960 | 6,156 | 5,308 | PSNH |
| Gas | 377 | 1 | 95 | 25 | PSNH |
| Nuclear | 13,505 | 15,868 | 12,861 | 13,518 | PSNH |

# 7. Production

New Hampshire ranked second in the nation in export growth for 1998 with 9.5 percent, compared to -1.2 percent for New England and -1.0 percent for the U.S. This is the fourth time in ten years New Hampshire has exceeded both New England and the United States in export growth. According to the New Hampshire Office of International Commerce: "Despite global financial setbacks caused by the Asian crisis, the Russian meltdown, and instability in Latin American financial markets, New Hampshire has been able to sell a diverse range of exports in both emerging and developed markets."[1]

**This is the fourth time in ten years New Hampshire has exceeded both New England and the United States in export growth.**

Canada remained the largest trading partner for New Hampshire, receiving $571,604,956 in exports in 1998, followed by Ireland with $154,112,881. Nearly 53 percent of New Hampshire's total exports were to Canada, Ireland, the United Kingdom, and Germany in 1998.

More than half of New Hampshire's total exports for 1997 and 1998 were in two industry groups - Industrial and commercial machinery and computer equipment, Standard Industrial Classification (SIC) code 35, and Electronic and other electrical equipment and components, except computer equipment (SIC 36).

## Gross Domestic Product / Gross State Product

The market value of the total goods and services produced within the boundaries of the United States, whether by American or foreign-supplied resources, is gross domestic product (GDP). The state counterpart to GDP is gross state product (GSP).

Both GDP and GSP are calculated in current dollars, using prices existing at the time the output is actually produced. Current dollar indicators are not good gauges of an economy's productive capacity over time because they include changes in both the quantity of output and the level of prices. A change in either will affect the size of current dollar GDP or GSP. To accurately reflect changes in physical output or quantity, not changes in prices, current dollar GDP or GSP

New Hampshire Exports by Country (Top 10 in 1998)

| Country | 1996 | 1997 | 1998 | Change 1997-1998 | Share of 1998 Total |
|---|---|---|---|---|---|
| Total, all countries | $1,642,810,674 | $1,750,063,722 | $1,915,510,544 | 9.5% | 100.0% |
| Canada | 549,645,803 | 543,372,003 | 571,604,956 | 5.2% | 29.8% |
| Ireland | 116,068,485 | 151,953,052 | 154,112,881 | 1.4% | 8.0% |
| United Kingdom | 94,689,005 | 117,954,816 | 147,536,062 | 25.1% | 7.7% |
| Germany | 80,828,037 | 122,500,201 | 129,377,074 | 5.6% | 6.8% |
| Japan | 77,483,835 | 101,592,262 | 110,231,890 | 8.5% | 5.8% |
| Mexico | 57,123,821 | 78,781,345 | 84,152,276 | 6.8% | 4.4% |
| Singapore | 51,621,285 | 54,699,005 | 70,249,989 | 28.4% | 3.7% |
| Republic of Korea | 90,988,234 | 39,532,557 | 63,940,334 | 61.7% | 3.3% |
| Netherlands | 59,261,254 | 54,792,937 | 59,827,180 | 9.2% | 3.1% |
| Hong Kong | 33,546,908 | 41,901,912 | 54,202,687 | 29.4% | 2.8% |

Source: Massachusetts Institute for Social and Economic Research (MISER)

| 7. Production | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| GROSS STATE PRODUCT | | | | | |
| In Current Dollars ($ millions) | $32,242 | $35,106 | $38,106 | $40,541 | BEA/PSNH |
| Annual percentage change | 10.1% | 8.9% | 8.5% | 6.4% | NHES |
| In Real Chained 1992 Dollars($ millions) | $30,343 | $32,746 | $35,188 | $37,061 | BEA/PSNH |
| Annual percentage change | 8.0% | 7.9% | 7.5% | 5.3% | NHES |
| GROSS DOMESTIC PRODUCT | | | | | |
| In Current Dollars($ billions) | $7,270 | $7,662 | $8,111 | $8,511 | BEA |
| Annual percentage change | 4.6% | 5.4% | 5.9% | 4.9% | NHES |
| In Real Chained 1992 Dollars($ billions) | $6,762 | $6,995 | $7,270 | $7,342 | BEA |
| Annual percentage change | 2.3% | 3.4% | 3.9% | 1.0% | NHES |
| VALUE ADDED BY MANUFACTURE | | | | | |
| Total ($ millions) | $9,139.5 | $10,814.9 | n/a | n/a | CB |
| VALUE ADDED PER PAYROLL DOLLAR | | | | | |
| United States | $2.74 | $2.71 | n/a | n/a | CB |
| New Hampshire | $2.81 | $3.02 | n/a | n/a | CB |
| United States rank (including D.C.) | 25 | 19 | n/a | n/a | CB |
| Connecticut | $2.01 | $1.94 | n/a | n/a | CB |
| United States rank (including D.C.) | 51 | 51 | n/a | n/a | CB |
| Maine | $2.68 | $2.50 | n/a | n/a | CB |
| United States rank (including D.C.) | 34 | 41 | n/a | n/a | CB |
| Massachusetts | $2.35 | $2.32 | n/a | n/a | CB |
| United States rank (including D.C.) | 45 | 45 | n/a | n/a | CB |
| Rhode Island | $2.16 | $2.08 | n/a | n/a | CB |
| United States rank (including D.C.) | 48 | 48 | n/a | n/a | CB |
| Vermont | $2.48 | $2.69 | n/a | n/a | CB |
| United States rank (including D.C.) | 42 | 33 | n/a | n/a | CB |
| INDUSTRY SHARE OF TOTAL VALUE ADDED | | | | | |
| Industrial Machinery and Equipment | 29.2% | 33.7% | n/a | n/a | CB |
| Instruments and Related Products | 9.1% | 8.9% | n/a | n/a | CB |
| Electronic and Related Products | 16.2% | 15.6% | n/a | n/a | CB |
| Printing and Publishing | 5.5% | 4.6% | n/a | n/a | CB |
| Paper and Allied Products | 4.5% | 3.6% | n/a | n/a | CB |
| Rubber and Miscellaneous Products | 6.1% | 5.4% | n/a | n/a | CB |
| Fabricated Metal Products | 6.5% | 6.0% | n/a | n/a | CB |
| MANUFACTURER'S SHIPMENTS | | | | | |
| Total ($ millions) | $16,229.4 | $19,348.2 | n/a | n/a | CB |
| Annual percentage change | 19.6% | 19.2% | n/a | n/a | CB |
| NEW CAPITAL EXPENDITURES ($ millions) | $441.7 | $529.0 | n/a | n/a | CB |
| As a Percentage of Payroll | | | | | |
| New Hampshire | 13.6% | 14.8% | n/a | n/a | CB |
| Connecticut | 12.2% | 13.8% | n/a | n/a | CB |
| Maine | 24.9% | 27.7% | n/a | n/a | CB |
| Massachusetts | 15.3% | 15.0% | n/a | n/a | CB |
| Rhode Island | 11.3% | 15.6% | n/a | n/a | CB |
| Vermont | 57.2% | 47.6% | n/a | n/a | CB |
| United States | 20.6% | 26.8% | n/a | n/a | CB |

| **7. Production (continued)** | **1995** | **1996** | **1997** | **1998** | **Source** |
|---|---|---|---|---|---|
| EXPORT SALES TO THE WORLD ($ thousands) | $1,478,627 | $1,642,811 | $1,750,064 | $1,915,511 | CB |
| INDUSTRY SHARE OF TOTAL EXPORTS | | | | | |
| Industrial Machinery and Equipment | 33.3% | 33.5% | 33.3% | 31.8% | CB/NHES |
| Electronic and Related Products | 15.7% | 16.1% | 19.0% | 18.6% | CB/NHES |
| Leather Products | 4.7% | 8.8% | 8.2% | 8.2% | CB/NHES |
| Transportation Equipment | 7.4% | 9.5% | 8.1% | 5.9% | CB/NHES |
| Instruments and Related Products | 6.8% | 8.0% | 6.7% | 5.9% | CB/NHES |
| Fabricated Metal Products | 3.4% | 3.7% | 4.1% | 3.6% | CB/NHES |
| Rubber and Miscellaneous Products | 3.9% | 3.9% | 3.7% | 3.3% | CB/NHES |
| DEFENSE CONTRACTS ($ thousands) | $579,604 | $566,876 | $388,128 | $423,073 | CB |

should be price-level adjusted. This adjusted, or constant dollar figure, is called real GDP or real GSP.

In 1997 New Hampshire's real gross state product (GSP) increased 7.5 percent over-the-year. This increase was the second highest in the nation, topped only by Oregon at 7.6 percent, and far above the national increase of 4.3 percent. The 1997 estimate is the latest available at the Bureau of Economic Analysis. The 1998 real GSP, estimated by Public Service of New Hampshire (PSNH), was $37,061 million, up 12.4 percent from 1997. From 1995 to 1998 New Hampshire's real GSP grew by $7,089 million, up 23.7 percent. In 1998 U.S. real GDP was $7,342 billion, up 1.0 percent from 1997. From 1995 to 1998 U.S. real GDP grew by $580 billion, up 8.6 percent.

*Elisabeth Picard*

[1] NH Office of International Commerce; *New Hampshire 1998 Report*, <www.umass.edu/miser>

New Hampshire Exports by Industry (Top 10 in 1998)

| SIC | Industry | 1996 | 1997 | 1998 | Change 1997-1998 | Share of 1998 Total |
|---|---|---|---|---|---|---|
| | **TOTAL ALL INDUSTRIES** | $1,642,810,674 | $1,750,063,722 | $1,915,510,544 | 9.5% | 100.0% |
| 35 | INDUSTRIAL MACHINERY, COMPUTER EQUIPMENT | 544,452,251 | 614,287,028 | 626,839,105 | 2.0% | 32.7% |
| 36 | ELECTRONIC, ELECTRIC EQUIP,EX. COMPUTER | 233,831,988 | 299,254,817 | 379,332,658 | 26.8% | 19.8% |
| 34 | FABRICATED METAL PRODUCTS | 112,559,066 | 91,632,899 | 131,840,165 | 43.9% | 6.9% |
| 38 | INSTRUMENTS AND RELATED PRODUCTS | 140,976,888 | 126,313,187 | 124,996,941 | -1.0% | 6.5% |
| 31 | LEATHER AND LEATHER PRODUCTS | 101,169,310 | 64,588,018 | 83,366,780 | 29.1% | 4.4% |
| 30 | RUBBER AND MISC. PLASTICS PRODUCTS | 73,168,294 | 72,516,015 | 78,291,914 | 8.0% | 4.1% |
| 28 | CHEMICALS AND ALLIED PRODUCTS | 49,590,687 | 64,170,510 | 59,884,848 | -6.7% | 3.1% |
| 24 | LUMBER AND WOOD PRODUCTS | 43,819,667 | 54,870,282 | 56,030,306 | 2.1% | 2.9% |
| 95 | CHARITY,MILITARY NIK,SHIPMENTS <10K NIK | 7,707,528 | 23,250,972 | 55,881,611 | 140.3% | 2.9% |
| 37 | TRANSPORTATION EQUIPMENT | 72,324,801 | 67,316,622 | 53,049,072 | -21.2% | 2.8% |

Source: Massachusetts Institute for Social and Economic Research (MISER)

# 8. Trade, Recreation, and Hospitality

Annual retail sales for New Hampshire increased 5.5 percent in 1998 to $15.4 billion, according to *Sales and Marketing Management's 1999 Survey of Buying Power*. This was $802 million more than in 1997. Automotive Dealers' sales continued to grow, bringing the total up to $3.6 billion. At 9.5 percent this was the largest increase in retail sales. General merchandise stores' sales grew to $2 billion, an increase of 6.6 percent. Eating and drinking places' sales increased 5.9 percent, to $1 billion; while furniture, home furnishings and appliances stores increased 4.0 percent. Food stores had the smallest increase at 2.9 percent, bringing their total to $2.9 billion.

Hillsborough and Rockingham Counties' total retail sales have been approximately 57 percent of the state total over the past four years. In 1998 their sales totaled $4.6 billion and $4.2 billion respectively. Sullivan County retail sales totaled $263 million in 1998. In the past four years Sullivan County has had the lowest retail sales in the state.

*Sales and Marketing Management* developed Effective Buying Income (EBI). It is an indicator of the ability to buy. It is estimated by personal income less personal tax and non tax payments, and closely resembles disposable income. New Hampshire's total EBI for 1998 was $22.7 billion; the median household EBI was $42,917. Total EBI by county ranged from $0.5 billion in Coos County to $7.3 billion in Hillsborough County. Median household EBI by county ranged from $29,315 in Coos County to $50,947 in Rockingham County.

## Recreation and Hospitality

The New Hampshire Division of Travel and Tourism Development (DTTD) had over nine million hits on their Web site in fiscal year 1999. DTTD has had over seven million hits on their Web site in the first five months of fiscal year 2000, of which over two million were in September. In 1998, 42,000 guidebooks were requested via their Web site. Since March requests have increased to 5,000 – 6,000 per month.

**"Only two places in the world, New Hampshire and China, have . . . this brilliant foliage."**

Inquiries received by DTTD increased 12.4 percent to bring the total to 225,569 in calendar year 1998. More than 228,700 guidebooks were requested during fiscal year 1999.

According to a study prepared by the Institute for New Hampshire Studies at Plymouth State College, estimated total spending by travelers and tourists increased 10.7 percent over 1997, to 3.26 billion dollars. Full service hotels and resorts increased 13.5 percent, while

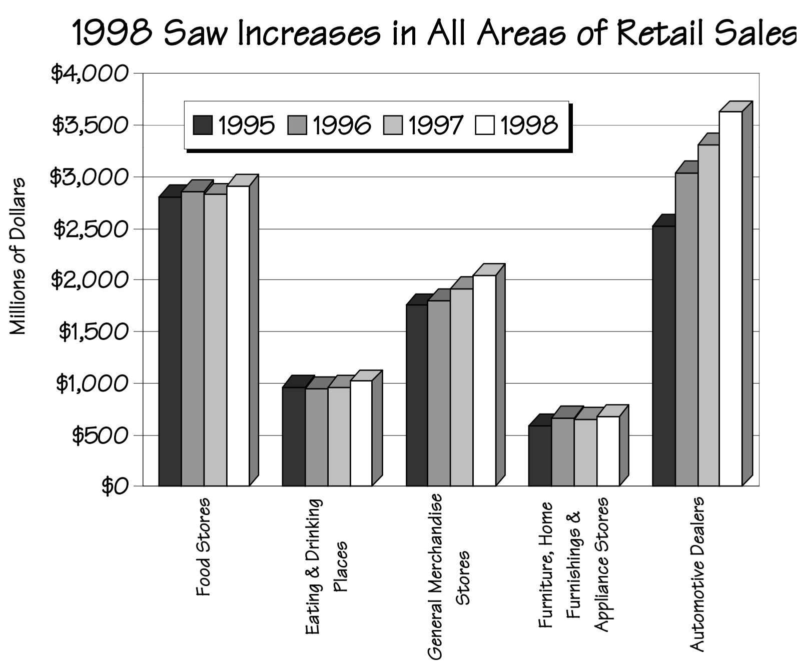



Figure 8.a: Components of Retail Sales 1995 - 1998

| 8. Trade, Recreation, and Hospitality | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| RETAIL SALES ($ millions) | | | | | |
| New Hampshire total [a] | $12,997 | $14,175 | $14,577 | $15,379 | SMM |
| Annual percent change | 1.8% | 9.1% | 2.8% | 5.5% | SMM/NHES |
| Food stores | $2,807 | $2,861 | $2,825 | $2,906 | SMM |
| Annual percent change | -0.4% | 1.9% | -1.3% | 2.9% | SMM/NHES |
| Eating and drinking places | $960 | $950 | $963 | $1,020 | SMM |
| Annual percent change | -13.1% | -1.0% | 1.4% | 5.9% | SMM/NHES |
| General merchandise stores | $1,754 | $1,796 | $1,914 | $2,041 | SMM |
| Annual percent change | 0.0% | 2.4% | 6.6% | 6.6% | SMM/NHES |
| Furniture, home furninshings, appliance stores | $592 | $669 | $653 | $679 | SMM |
| Annual percent change | 1.2% | 13.0% | -2.4% | 4.0% | SMM/NHES |
| Automotive dealers | $2,526 | $3,035 | $3,310 | $3,626 | SMM |
| Annual percent change | 7.5% | 20.2% | 9.1% | 9.5% | SMM/NHES |
| New England, total ($ millions) | $122,784 | $131,602 | $134,588 | $141,604 | SMM |
| Annual percent change | 0.8% | 7.2% | 2.3% | 5.2% | SMM/NHES |
| United States, total ($ billions) | $2,355 | $2,465 | $2,546 | $2,696 | SMM |
| Annual percent change | 5.1% | 4.7% | 3.3% | 5.9% | SMM/NHES |
| Per Household Retail Sales | | | | | |
| New Hampshire | $30,239 | $32,526 | $33,016 | $34,289 | SMM |
| Massachusetts | $23,652 | $25,075 | $25,680 | $26,901 | SMM |
| New England | $24,511 | $26,126 | $26,618 | $27,759 | SMM |
| United States | $24,120 | $24,992 | $25,437 | $26,544 | SMM |
| Liquor Sales | 1994-95 | 1995-96 | 1996-97 | 1997-98 | |
| Retail & Wholesale (fiscal year) ($ millions) | $210.3 | $224.2 | $241.1 | $255.6 | LC |
| RECREATION/TOURISM | | | | | |
| Division of Travel & Tourism Development Inquiries | 213,087 | 186,363 | 200,762 | 225,569 | DTTD |
| Hotel Occupancy Rate | 56.0% | 56.4% | 55.8% | 55.9% | DTTD |
| Out-of-State Snowmobile Registrations | 8,973 | 10,994 | 15,061 | 11,466 | F&G |
| Skiing, state areas (Cannon), season | 1994-95 | 1995-96 | 1996-97 | 1997-98 | |
| Number of skiers | 85,750 | 95,642 | 93,078 | 115,009 | P&R |
| Lift sales, excluding concessions, schools ($000) | n/a | $1,729 | $1,615 | $1,873 | P&R |
| Fish and Game licenses (non-resident) | 73,432 | 72,855 | 74,232 | 72,106 | F&G |
| Racing (pari-mutuel statistics) | | | | | |
| Thoroughbred track: | | | | | |
| Attendance (thousands) | 332.4 | 281.5 | 257.7 | 259.2 | PM |
| Pari-mutuel pool ($ millions) | $27.8 | $20.8 | $18.7 | $18.2 | PM |
| Greyhound tracks: | | | | | |
| Attendance (thousands) | 517.1 | 429.2 | 422.5 | 388.9 | PM |
| Pari-mutuel pool ($ millions) | $39.8 | $34.6 | $33.4 | $32.5 | PM |
| HOSPITALITY: HOTEL, RESTAURANT ACTIVITY | | | | | |
| Total Meals & Rooms Receipts ($ millions) | $1,398 | $1,475 | $1,572 | $1,761 | RA |
| Annual percent change | 5.1% | 5.5% | 6.6% | 12.0% | RA/NHES |
| Restaurants | $927.0 | $970.2 | $1,026.0 | $1,138.9 | RA |
| Rooms | $226.9 | $245.8 | $268.8 | $294.4 | RA |
| Food service & combination | $244.0 | $258.6 | $276.8 | $327.6 | RA |

[a] Reprinted by permission of Sales & Marketing Management, a publication of Bill Communications

hotels and motels without food service increased 12.7 percent over 1997. Average restaurant sales increased 11.0 percent over 1997.

## Winter Recreation

Ski areas opened on November 13, 1998, and closed on April 11, 1999. During this ski season New Hampshire's ski resorts saw 1,919,437 alpine skiers and 123,568 cross-country skiers. Attitash opened for skiers on November 18, 1999. Loon Mountain, Mount Sunapee, and Waterville Valley opened a day later for skiers. Warm weather in late November and early December forced these ski areas to close for a few weeks. Bretton Woods opened for skiers on November 25, 1999, and was the only ski area that was not forced to close. The rest of the ski areas will open soon.

New Hampshire ski resorts continued to make improvements. Eight new lifts were added for the 1998 – 1999 ski season. New trails were added and old trails were improved. Ski resorts were renovated and their lodges were expanded. Additional snowmaking and grooming equipment have been added to increase the snow making capacity and to keep the trails in good skiing condition.

Mount Sunapee is no longer a state-operated ski area. In July 1998 the state leased the ski area to Okemo Mountain Resort. Before the 1998 – 1999 ski season began, over five million dollars were made in capital improvements. The owners announced their intention to invest four million dollars in Mount Sunapee for the 1999 - 2000 ski season. Their major goal is to make Mount Sunapee one of the premiere ski areas in New Hampshire.

## Summer Recreation

New Hampshire International Speedway (NHIS) continues to expand. An additional 1,000 seats were added in 1998. NHIS is now capable of seating 83,000 fans. The addition of 9,000 more seats is pending approval. Over the year approximately 400,000 fans attended events at the speedway. Of these, three quarters of them were from outside New Hampshire. NHIS has four major event weekends and many amateur event weekends. Their largest events, two Winston Cup races, bring 90,000 fans each to Loudon. Loudon becomes the second largest city in New Hampshire during Winston Cup races, passing Nashua's total population by approximately 10,000 people.

## Autumn Recreation

Many people travel from all over to New Hampshire to view the spectacular colors of our fall foliage. The color will peak anywhere from the end of September to the middle of October, depending on location. "Only two places in the world, New Hampshire and China, have the unique combination of climate and topography that results in this brilliant foliage, but nowhere does the landscape, from mountains to the lakes and sea, provide a better vantage point to see the colors."[1]

According to the Institute for New Hampshire Studies at Plymouth State College, during September, October, and November of 1998 the total spending subject to the Rooms and Meals tax increased 14.4 percent over 1997, bringing the total spending to $818 million. Every region in New Hampshire saw an increase in Rooms and Meals spending, with the largest increase, 25.6 percent, in the Great North Woods region. During these same months visitor trips increased to 6.6 million, 2.0 percent more than in 1997.

*Gail Houston*

[1] New Hampshire Division of Travel and Tourism Development; "The Facts about Fall Foliage;" <http://www.visitnh.gov/foliagefacts.html>

# 9. Construction and Housing

New Hampshire's index of total construction contract values hit a 1998 annual average of 352.98, not seasonally adjusted, confirming the sound condition of the Granite State's construction industry. The index of total construction contracts reports the dollar value of contracts indexed to 1980 (1980 = 100). The value includes the contracts for new construction, additions, and major alterations, but not for maintenance. The value increased 23.4 percent from 1997 to 1998. The Portland Natural Gas Pipeline project was a major factor in this large increase. The project boosted the 1998 eight-month contract value 96.3 percent above the comparable 1997 value for nonbuilding contracts.

**Total housing units permitted/authorized in New Hampshire swelled 8.7 percent to a total of 4,082 during the first nine months of 1999.**

The most current data available, through August 1999, showed an over-the-year decrease of 6.5 percent in the index of total construction contract values. The major portion of the decrease was recorded in the nonbuilding construction contracts value, anticipated because of the significant value of the previously mentioned pipeline project during the 1998 construction season.

The Hot Housing Market Has Led to Higher Prices in Both New and Exsisting Housing

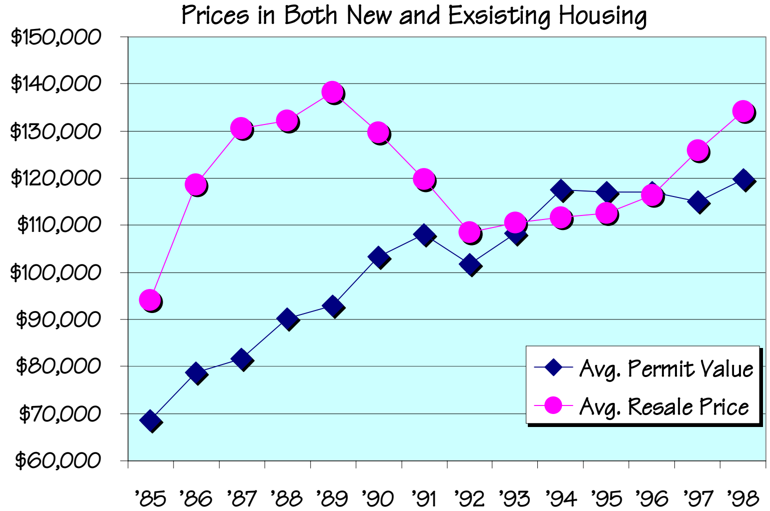



Figure 9.b: Average Value of Single Family Housing, 1985-1998
(permit valuation/resale of existing homes)

Nationally, the index of total construction contract values, not seasonally adjusted, was up more than eight percent over the year in August 1999. In the Northeast the index of total construction contract values rose 13.0 percent for the same period.

## Residential Units

The value of residential construction contracts increased 22.1 percent from 1997 to 1998. The first eight months of 1999 continued the upward trend with an additional increase of 8.5 percent.

Total housing units permitted/authorized in New Hampshire swelled 8.7 percent to a total of 4,082 during the first nine months of 1999. Single family units accounted for 3,680, more than 90 percent of the total permits authorized. This represents a 10.5 percent boost over the same period in 1998. New multi-family units represented only 9.2 percent of the total permits authorized and a decrease of 6.1 percent during the first nine months of 1999 compared to 1998.

## Nonfarm Construction Employment

New Hampshire's construction employment reflected the same vigorous growth. The state's nonfarm construction employment grew 6.0 percent from September 1998 to September 1999, adding 1,344 jobs. This growth followed an increase from 1997 to 1998 over the same period of 9.1 percent, or 1,867 jobs. As of September 1999, the nine-month average construction employment was 23,833.

| 9. Construction and Housing | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| CONTRACT VALUE INDICES (base = 1980) | | | | | |
| Total construction: | | | | | |
| New Hampshire | 221.4 | 259.0 | 286.1 | 353.0 | FR/FWD |
| New England | 237.0 | 255.0 | 317.1 | 301.4 | FR/FWD |
| United States | 206.0 | 223.9 | 242.5 | 264.6 | FR/FWD |
| Non-building construction | | | | | |
| New Hampshire | 190.2 | 214.2 | 232.6 | 364.4 | FR/FWD |
| New England | 266.8 | 283.9 | 429.1 | 272.1 | FR/FWD |
| United States | 198.9 | 202.5 | 216.7 | 218.0 | FR/FWD |
| Nonresidential construction | | | | | |
| New Hampshire | 303.0 | 350.5 | 391.0 | 432.3 | FR/FWD |
| New England | 272.4 | 292.8 | 351.4 | 334.3 | FR/FWD |
| United States | 216.2 | 229.1 | 260.5 | 275.5 | FR/FWD |
| Residential construction | | | | | |
| New Hampshire | 189.6 | 223.6 | 251.2 | 306.8 | FR/FWD |
| New England | 193.4 | 206.4 | 229.9 | 291.4 | FR/FWD |
| United States | 201.6 | 223.9 | 242.5 | 264.6 | FR/FWD |
| HOUSING PERMITS AUTHORIZED (not seasonally adjusted) | | | | | |
| Total New Hampshire | 4,102 | 4,775 | 5,131 | 5,751 | CB |
| Annual percent change: | | | | | |
| New Hampshire | 1.5% | 16.4% | 7.5% | 12.1% | CB |
| New England | -7.7% | 8.2% | 4.0% | 12.6% | CB |
| United States | -2.8% | 7.0% | 1.9% | 10.8% | CB |
| Single units | 4,105 | 4,050 | 4,297 | 5,041 | CB |
| Annual percent change: | | | | | |
| New Hampshire | -0.6% | -1.3% | 6.1% | 17.3% | CB |
| New England | -8.4% | 2.9% | 1.5% | 18.1% | CB |
| United States | -6.7% | 7.2% | -0.7% | 8.9% | CB |
| CHANGES TO THE NEW HAMPSHIRE HOUSING STOCK from residential building permit data | | | | | |
| Net change in units (permitted units less demolitions) | 4,470 | 5,200 | 5,971 | 6,630 | OSP |
| Total Hillsborough and Rockingham Counties | 2,445 | 2,908 | 3,586 | 3,747 | OSP |
| Total multifamily | 189 | 629 | 1,152 | 738 | OSP |
| HOMES FINANCED BY NH HOUSING FINANCING AUTHORITY | | | | | |
| Total | 1,278 | 985 | 1,200 | 1,049 | HFA |
| Percent new | 9.9% | 7.5% | 5.9% | 3.5% | HFA |
| Percent condo | 5.7% | 7.0% | 10.0% | 11.5% | HFA |
| NHHFA BOND ISSUES ($ millions) | $158.7 | $75.0 | $75.0 | $75.0 | HFA |
| ASSISTED RENTAL HOUSING CONSTRUCTION | | | | | |
| Total units (NHHFA, HUD, FMHA, & local programs) | 201 | 282 | 188 | 425 | HFA |
| For elderly tenants | 46 | 82 | 63 | 282 | HFA |
| HOME SALES | | | | | |
| Total existing home sales seasonally adjusted - single family, apartment condos. and co-ops | 11,593 | 13,812 | 16,046 | 18,538 | AR |
| Percent change: | | | | | |
| Connecticut | -20.4% | -5.8% | 6.5% | 14.4% | FR/NAR |
| New Hampshire | -1.2% | 19.1% | 16.2% | 15.5% | FR/NAR |
| Maine | 0.2% | 6.6% | 4.7% | 16.6% | FR/NAR |
| Massachusetts | -2.6% | 16.6% | 11.0% | 10.8% | FR/NAR |
| Rhode Island | 3.2% | 8.9% | 7.8% | 19.8% | FR/NAR |
| Vermont | -19.6% | -8.9% | -10.1% | 3.9% | FR/NAR |
| New England | -7.3% | 8.1% | 9.3% | 13.2% | FR/NAR |
| United States | -1.5% | 8.4% | 4.3% | 13.8% | FR/NAR |

| 9. Construction and Housing | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| Repeat-Sales Home Price Index (not seasonally adjusted) | | | | | |
| New Hampshire | 90.3 | 93.8 | 97.3 | 104.0 | FR/FM |
| New England | 104.7 | 107.5 | 111.7 | 119.1 | FR/FM |
| United States | 136.3 | 140.9 | 146.6 | 155.0 | FR/FM |
| New Hampshire Multiple Listing Service data on Sales of Existing Homes | | | | | |
| Total Sales Volume (millions) | $1,311.8 | $1,604.2 | $2,056.5 | $2,486.8 | AR |
| Annual percent change | 0.1% | 22.3% | 28.2% | 20.9% | AR/NHES |
| Average sale price | $112,536 | $116,485 | $125,941 | $134,146 | AR |
| Annual percent change | 0.8% | 3.5% | 8.4% | 6.5% | AR/NHES |
| CONTRACT MORTGAGE RATES (December, 30-year fixed) | 7.1% | 7.6% | 7.0% | 6.9% | MBA/FHLMC |
| HOUSING UNIT RENTALS | | | | | |
| Median monthly rent (including utilities) | $563 | $596 | $606 | $636 | HFA |
| Annual percent change | -1.7% | 5.9% | 1.7% | 5.0% | |

New Hampshire's covered employment jumped 7.9 percent, 1,803 jobs, from second quarter 1998 average to second quarter 1999 average.

## Home Price Index

The not seasonally adjusted repeat sales home price index for New Hampshire at the end of the second quarter of 1999 advanced 4.1 percent over the same period in 1998 to an index of 110.82. This index surpassed the previous high point of 108.63 during the first quarter of 1989 recorded in the *Indicators* publication of the Federal Reserve Board of Boston. The repeat-sales home price index is a quarterly price measure derived from mortgage loans purchased by Fannie Mae and Freddie Mac between January 1975 and the present. Fannie Mae and Freddie Mac are private, stockholder-owned corporations chartered by Congress to buy mortgages beyond traditional loan limits and to increase the supply of funds for lenders by providing secondary mortgage markets. The repeat mortgage transactions of a single physical housing unit can be identified and tracked within the corporations' database. Because of the computational methodology, updates can affect fully revised historical data at any point in the series history.

Twelve of the Fourteen Real Estate Markets Experienced Average Resale Price Increases

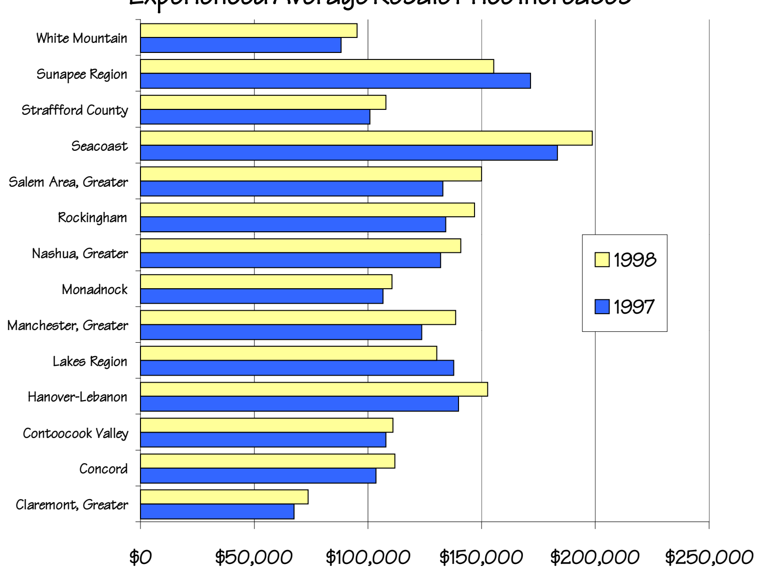



Figure 9.b: Regional Average Selling Price, 1996-1998

Source: New Hampshire Association of Realtors; Exsisting Home Sales

## Existing Home Sales

The New Hampshire Association of Realtors' statistics showed strong activity in the existing homes sales market. Statewide closed sales for 1998 totaled 18,538 units, an increase of 15.5 percent over 1997. This followed an increase of 16.1 percent from 1996 to 1997. The average sales price per unit was $134,146 in 1998, an increase of 6.5 percent over 1997, but down slightly from the 8.0 percent recorded from 1996 to 1997.

*Rosanne Marney-Hay*

# 10. Transportation and Traffic

As we enter the new millennium, New Hampshire's Department of Transportation (DOT) will be completing some major road construction jobs. Others will be starting shortly. The following is a list of the top projects for the year 2000:

✓ Crews will complete the major widening of NH Route 101 by fall 2000. This $200 million project involves the construction of 17.6 miles of divided highway between Epping and Hampton. Motorists in New Hampshire will then be able to drive from I93 to I95 on four lanes of divided highway.

✓ Construction will continue on the NH Route 9 bypass around downtown Hillsborough. This includes road and bridge construction, wetland mitigation, and construction of a park and ride facility.

✓ Obtain remaining approval for the Manchester Airport access road. This limited access highway would interchange with the F.E. Everett Turnpike in Bedford, cross the Merrimack River in Londonderry's industrial zone area, and connect to Manchester Airport's roadway system. The project is expected to cost $75 million.

✓ The Conway bypass, including the North and South Local Road to Mechanic Street, will be constructed.

✓ Passenger rail stations will be constructed in Dover, Durham, and Exeter to allow rail passengers to board the upcoming Portland to Boston Amtrak train.

✓ The NH Route 25A bridge over the Connecticut River between Orford, New Hampshire, and Fairlee, Vermont, will be reconstructed.

✓ A multiuse recreational path will be built on an abandoned railroad corridor from Rindge to Peterborough.

The new south entrance to Pease International Tradeport opened to motorists on November 18. In the works since last fall, the $6,694,000 project included the reconstruction of the southbound lanes of I95 and the ramp from Exit 3 to Route 33, the widening of Route 33, the construction of the new access road to Pease, and the building of a new Park and Ride facility. The new entrance, which feeds into Grafton Drive and up toward Aviation Avenue and Corporate Drive, is expected to decrease travel time for motorists from the south and reduce traffic at the main entrance off Gosling Road. It will provide direct access to I95 for travel to northern New Hampshire or south to Boston.[1]

**Manchester Airport served more than 1.9 million passengers in 1998, a 75 percent increase over 1997.**

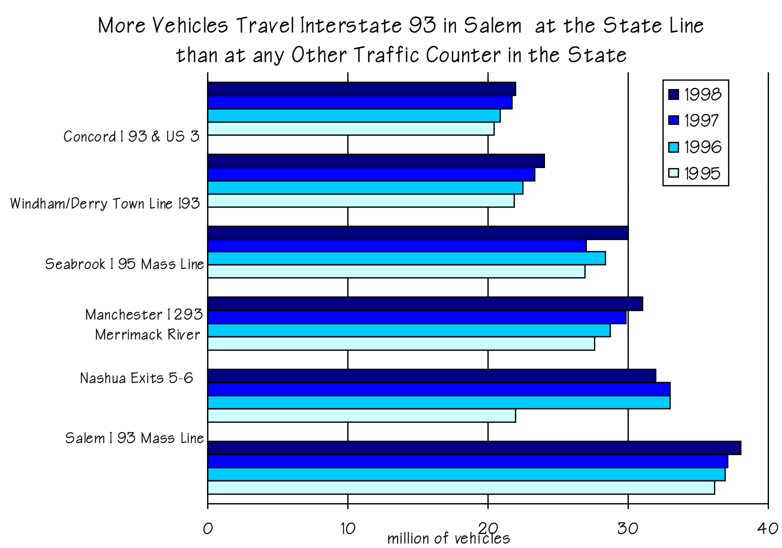



Figure 10.a: Selected Vehicle Counter Points 1995-1998

| 10. Transportation and Traffic | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| HIGHWAY TRAFFIC Annual totals (vehicles-000s) | | | | | |
| Interstates, NH - Mass. State line | | | | | |
| (from traffic counters at Salem and Seabrook) | 63,134 | 65,297 | 64,124 | 68,328 | DT |
| Annual percent change | 3.2% | 3.4% | -1.8% | 6.6% | DT/NHES |
| Rural traffic, annual percent change | 2.7% | 2.7% | 2.7% | 3.9% | DT |
| Annual vehicle miles (millions of miles) | 10,643 | 11,001 | 11,039 | 11,576 | DT |
| Annual percent change | 1.4% | 3.4% | 0.3% | 4.9% | DT/NHES |
| VEHICLE REGISTRATIONS | | | | | |
| Passenger Vehicles (Including pick-ups) | 906,781 | 921,563 | 954,178 | 946,319 | DS |
| Annual percent change | NA | 1.6% | 3.5% | -0.8% | DS/NHES |
| Commercial Trucks | 10,622 | 10,697 | 10,434 | 9,626 | DS |
| Annual percent change | NA | 1% | -2% | -8% | DS/NHES |
| Persons per passenger car (population/# of vehicles) | 1.3 | 1.3 | 1.2 | 1.3 | DT/NHES |
| DRIVER LICENSES | | | | | |
| Total on issue | 902,680 | 924,506 | 899,273 | 909,598 | DS |
| AIRCRAFT TRAVEL | | | | | |
| Manchester Airport | | | | | |
| Total Passengers | 893,326 | 984,130 | 1,108,216 | 1,938,177 | MA |
| Annual Percent Change | -2.9% | 10.2% | 12.6% | 74.9% | MA/NHES |
| Enplanements | 451,138 | 500,322 | 559,741 | 971,821 | MA |
| Annual Percent Change | -2.7% | 10.9% | 11.9% | 73.6% | MA/NHES |
| Deplanements | 442,188 | 483,808 | 548,475 | 966,356 | MA |
| Annual Percent Change | -3.1% | 9.4% | 13.4% | 76.2% | MA/NHES |
| MOTOR FUEL CONSUMPTION (FY) | | | | | |
| Millions of gallons of gasoline and diesel fuel | 622.1 | 625.2 | 733.3 | 754.6 | DT |
| Annual percent change | 2.1% | 0.5% | 17.3% | 2.9% | DT/NHES |
| BOAT REGISTRATIONS | | | | | |
| Total Registrations | 86,672 | 87,866 | 90,408 | 92,646 | DS |
| Annual percent change | 4.6% | 1.4% | 2.9% | 2.5% | DS/NHES |
| SEAPORT TRAFFIC, PORTSMOUTH HARBOR | | | | | |
| Total shipping (public & private facilities) | | | | | |
| Dead weight capacity tonnage (tons-000s) | 5,873 | 5,578 | 5,692 | 6,002 | PA |
| Export & import total (short tons-000s) | 4,236 | 4,078 | 4,339 | 4,657 | PA |
| Annual percent change | 2.8% | -3.7% | 6.4% | 7.3% | PA/NHES |
| POSTAL SERVICE | | | | | |
| First handling pieces - Manchester and Portsmouth | | | | | |
| (millions) (FY ending 9/30) | 1,010 | 1,025 | 1,105 | 1,185 | PS |

The busiest permanent traffic counter in the state was on I93 at the state line in Salem where more than 38 million vehicles passed in 1998, an increase of 1.2 million from 1997. Although the stretch of road between exits 5 and 6 in Nashua on the F.E. Everett Turnpike saw a slight decrease in traffic counts over-the-year, it still remained the second busiest site in the state in 1998 with a count of more than 32 million vehicles. According to DOT, the slight decrease was probably a result of road construction in the area. Traffic may have been detoured to another exit or to the shoulder where the traffic was not counted.

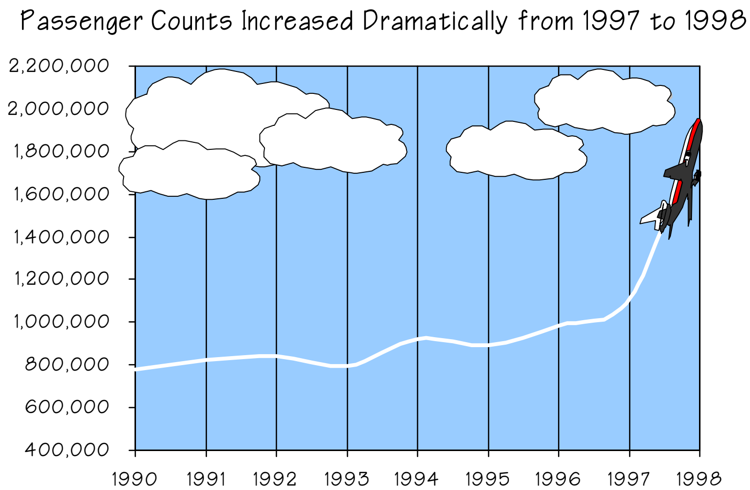


Figure 10.b: Total Number of Passengers Manchester Airport, 1990 - 1998

## Bridges

The November 1999 issue of *Better Roads* magazine ranks the states according to the percent of bridges that are substandard. Substandard is defined as having a federal deficiency rating of 80 percent or below. Of the 2,385 bridges in New Hampshire, 774 (32.5 percent) are substandard. Seventeen states and the District of Columbia had higher percentages of substandard bridges. Rhode Island fared worst with 482 of its 750 bridges, 61.6 percent, substandard. Connecticut set the highest standard in New England with only 9.0 percent of their bridges rated substandard.

New Hampshire Department of Transportation regularly monitors every bridge and keeps a "red list" of those bridges that must be inspected more than the normal rotation. As of April 1999, the red list consisted of 142 state owned bridges. Fifteen bridges were added to the list in 1998 while thirteen others were removed.

## Air Transportation

Manchester Airport served more than 1.9 million passengers in 1998, a 75 percent increase over 1997. Most of this increase can be attributed to the addition of three major airlines in 1998: Southwest, Northwest, and Metrojet, a subsidiary of US Airways. The airport is now served by ten major airlines.

Enplanements, or passengers boarding planes at the airport, increased from 559,741 to 971,821 over the year. Deplanements, or passengers exiting planes at the airport, increased from 548,475 to 966,356.

## Sea Transportation

More than 4.5 million tons of cargo were discharged (exported) from Portsmouth Harbor in 1998, up 7.1 percent from 1997. New Hampshire's skilled workers produce some of the highest quality manufactured products in the world. The ability to bring these products to a global market is essential and the Port's public docks provide the deep-water ocean access shippers require to achieve world-wide success.[2]

*Elisabeth Picard*

[1] Portsmouth Herald; *Historic Day for PDA*, <www.seacoastonline.com/news> 11/19/99
[2] Port of New Hampshire; *Port Authority Overview*, <www.state.nh.us/nhport/portover.html>

# 11. Finance and Banking

At the end of second quarter 1999 New Hampshire's FDIC-insured commercial banking institutions realized the highest national return on assets ratio of 4.26. This was better by 170 basis points than its ratio of 2.56 during the same time in 1998. The state's commercial banks also possessed the fourth highest noncurrent loan rate in the country of 1.85 percent for total loans and of 2.20 percent for loans to individuals. Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or are in nonaccrual status. The presence of a commercial bank with a large credit card operation exerted a significant influence on both these high national rankings in the state.

**New Hampshire's noncurrent real estate loan rate for FDIC-insured banks dropped from 1.17 percent on December 31, 1998, to 0.98 percent on June 30, 1999.**

## Banking Institutions

The number of FDIC-insured commercial banks and savings institutions went from 46 in June 1997 to 39 in June 1998, then back to 40 in June 1999. Despite ongoing fluctuations in the banking industry, the banking group as a whole continued to register vigorous growth. Total assets expanded 21.1 percent, total deposits were up 12.7 percent, and net income increased 83.0 percent as of June 30, 1999, in comparison to the same time in 1998.

The New Hampshire Business Development Corporation applied for permission to change to a merchant bank charter in the fall of 1999. The application is pending approval. In 1998 the passage of a bill in New Hampshire authorized a merchant class of bank. Such banks operate like any private bank, but cannot take deposits. Instead capital may be generated by setting up trust funds and attracting venture investors. Merchant banks can make loans to high-risk, start-up, and/or unconventional businesses which often experience difficulty securing loans. The New Hampshire Business Development Corporation has stretched an initial state investment of $2.45 million into more than $25 million in direct loans, and helped raise $100 million in capital in a partnership with a Boston firm. If the merchant bank application is approved, the way the corporation raises and invests funds will be streamlined.

## Employment

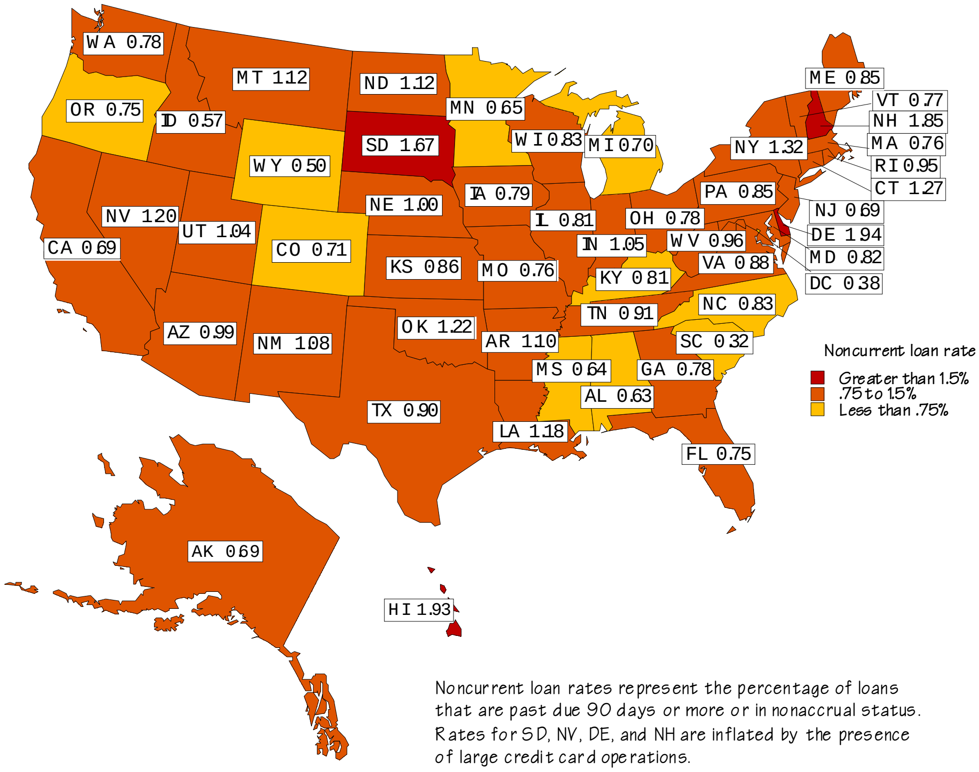
Second quarter 1999 covered employment data for Finance, insurance, and real estate increased 1,731 jobs over second quarter 1998. Employment in real estate and in holding and other investment offices declined over this quarter by 64 jobs and 192 jobs respectively, compared to the preceding year. The major gainer of the division was once again the security and commodity brokers group, which swelled 878 jobs from second quarter 1998 to second quarter 1999. Nonfarm employment in November 1999 for the division rose by approximately 300 jobs over November 1998. This follows an ample gain of 1,400 jobs, up 4.7 percent from 1997.

## Loan Rates

Mortgage loan interest rates have increased recently in part because of lasting signs of strong economic growth, according to Freddie Mac's Weekly Primary Mortgage Market Survey of October 8, 1999. Freddie Mac is a stockholder-owned corporation chartered by Congress to increase the supply of mortgage funds available to homebuyers

# Noncurrent Loan Rates — June 30, 1999

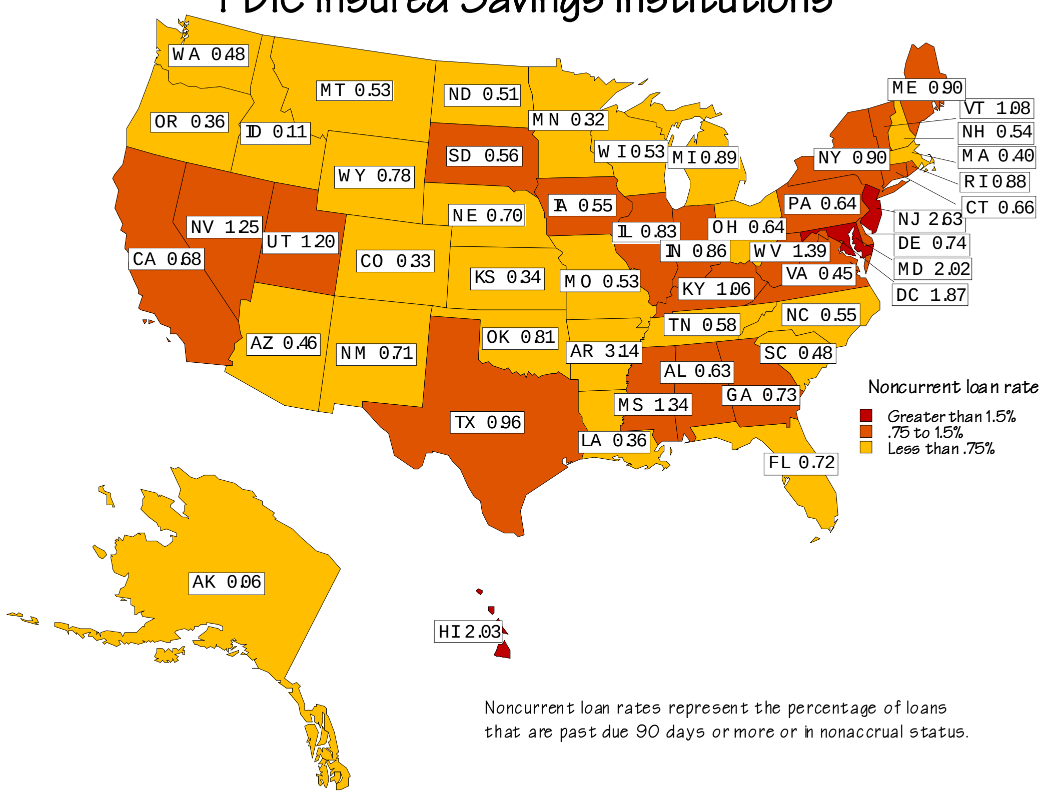
## FDIC Insured Commercial Banks




Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status. Rates for SD, NV, DE, and NH are inflated by the presence of large credit card operations.

# Noncurrent Loan Rates — June 30, 1999

## FDIC Insured Savings Institutions




Noncurrent loan rates represent the percentage of loans that are past due 90 days or more or in nonaccrual status.

| 11. Finance and Banking | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| BANKING DATA, FDIC Insured Banks ($ millions) | | | | | |
| BANK ASSETS - Total All Banks | $19,458 | $19,996 | $21,598 | $24,143 | FDIC |
| percent change | 4.5% | 2.8% | 8.0% | 11.8% | FDIC/NHES |
| Commercial Banks and Trust Companies | $10,061 | $10,724 | $11,688 | $16,073 | FDIC |
| percent change | 32.9% | 6.6% | 9.0% | 37.5% | FDIC/NHES |
| Savings Institutions | $9,397 | $9,272 | $9,910 | $8,070 | FDIC |
| percent change | -14.9% | -1.3% | 6.9% | -18.6% | FDIC/NHES |
| BANK DEPOSITS - Total All Banks | $14,869 | $15,964 | $15,697 | $17,086 | FDIC |
| percent change | 2.7% | 7.4% | -1.7% | 8.8% | FDIC/NHES |
| Commercial Banks and Trust Companies | $7,627 | $8,997 | $8,534 | $11,137 | FDIC |
| percent change | 32.1% | 18.0% | -5.1% | 30.5% | FDIC/NHES |
| Savings Institutions | $7,242 | $6,967 | $7,163 | $5,949 | FDIC |
| percent change | -16.8% | -3.8% | 2.8% | -16.9% | FDIC/NHES |
| EQUITY CAPITAL Total | $1,735 | $1,920 | $2,326 | $2,277 | FDIC |
| Commercial Banks and Trust Companies | $844 | $944 | $1,324 | $1,407 | FDIC |
| Savings Institutions | $891 | $976 | $1,002 | $870 | FDIC |
| NUMBER OF BANKING INSTITUTIONS | 49 | 45 | 42 | 39 | FDIC |
| NUMBER OF BANKING OFFICES (including branches) | 396 | 404 | 409 | 413 | FDIC |
| CREDIT UNION ASSETS | $1,486 | $1,553 | $1,701 | $1,935 | NCUA |
| Annual percent change: | 1.5% | 4.5% | 9.5% | 13.8% | NCUA/NHES |
| SHARES AND DEPOSITS | $1,301 | $1,348 | $1,469 | $1,670 | NCUA |
| Annual percent change: | 0.8% | 3.6% | 9.0% | 13.7% | NCUA/NHES |
| NUMBER OF CREDIT UNIONS | 36 | 35 | 35 | 34 | NCUA |
| INDUSTRIAL FINANCING | | | | | |
| Bond issues ($ millions) - fiscal year ending 6/30 | | | | | |
| NH Industrial Development Authority | $19.2 | $50.6 | $34.2 | $113.6 | BFA |
| NON-CURRENT LOANS AND LEASES ($ millions) | | | | | |
| [FDIC commercial banks, Dec. 31st totals] | $90.8 | $131.4 | $124.7 | $194.9 | FDIC |
| Percent change from previous year | 10.3% | 44.7% | -5.1% | 56.4% | FDIC |
| Rank by percent of total (from smallest) | 43 | 45 | 46 | 46 | FDIC |
| BANKRUPTCY FILINGS | | | | | |
| (Calendar year) | 3,207 | 3,692 | 4,902 | 4,994 | BKR |
| Percent change from previous year | | | | | |
| New Hampshire | 5.0% | 15.1% | 32.8% | 1.9% | BKR |
| Connecticut | 8.7% | 23.6% | 19.4% | 3.4% | BKR |
| Maine | 25.1% | 40.2% | 37.3% | 7.0% | BKR |
| Massachusetts | 5.1% | 19.0% | 34.6% | -6.6% | BKR |
| Rhode Island | 11.3% | 29.8% | 26.4% | 0.1% | BKR |
| Vermont | 27.8% | 29.6% | 39.7% | 2.8% | BKR |
| New England | 8.4% | 22.6% | 29.8% | -1.2% | BKR |
| United States | 11.3% | 27.2% | 19.1% | 2.7% | BKR |
| MORTGAGE DELIQUENCY RATE | 3.13% | 3.13% | 3.15% | n/a | NEEP |
| CONSUMER LOAN DELIQUENCY RATE | 1.96% | 2.68% | 2.28% | n/a | NEEP |

and multifamily investors. The 30-year fixed rate mortgage averaged 7.69 percent for the week ending November 19, 1999, up 83 basis points from the rate of a year ago. The lower mortgage interest rates stimulated a refinance boom and record levels of home sales. Refinancing allowed borrowers to ease debt-service burdens. Even though mortgage rates are expected to be a little higher in coming weeks, Freddie Mac economists are confident of a continued strong and vibrant housing market well into the coming year.

## Delinquency Rates

The mortgage delinquency rate has continued to improve. It declined nationally 29 basis points since the first quarter of 1998 to 4.13 percent. The rate has held steady through the second quarter of 1999, as reported by the Mortgage Banking Association of America in its delinquency rate survey released on September 9, 1999. In the Northeast the delinquency rate quarter-over-quarter declined 15 basis points to 3.82 percent through second quarter 1999. Delinquency rates were down 33 basis points in the Northeast over the year. The delinquency rate includes loans 30 days or more past due. New Hampshire's noncurrent real estate loan rate for FDIC-insured banks dropped from 1.17 percent on December 31, 1998, to 0.98 percent on June 30, 1999.

*Rosanne Marney-Hay*

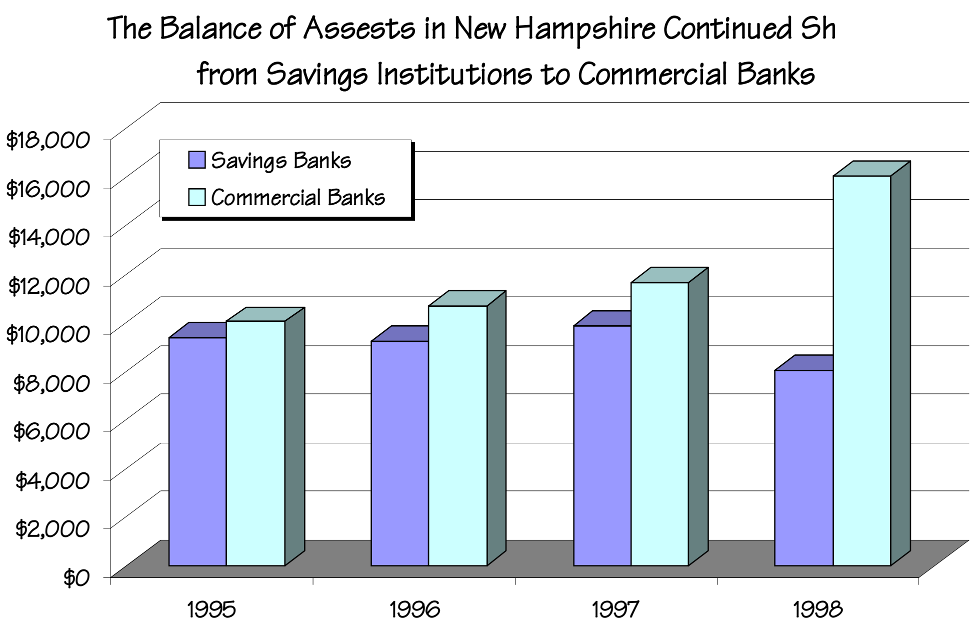



Figure 11.a: Assets of NH FDIC Insured Depository Institutions, 1995 - 1998
Source: Federal Deposit Insurance Corporation

# 12. Government Revenues and Expenditures

General Fund unrestricted revenues are generated from various taxes and fees which are not targeted toward specific programs. Restricted revenues include receipts such as tolls and the fuel tax, which relate to highways, or federal grants earmarked for specific programs. Unrestricted revenue sources include the Business Profits Tax (BPT), the Business Enterprise Tax (BET), the Meals and Rooms tax (now the Meals and Rentals tax), and the Interest and Dividends tax. The BPT is levied on businesses whose gross income exceeds $50,000. The current rate is 8 percent of the taxable business profits. BET is a 0.5 percent levy of the compensation paid by those businesses with $100,000 gross receipts or having an enterprise value tax base of $50,000. The Interest and Dividends tax is a 5 percent tax levied upon all interest and dividends received by a taxpayer except for interest earned on New Hampshire and U.S. obligations (i.e., bonds). There is a $2,400 exemption in general. A dispute over the definitions of exempt and nonexempt investment has made this tax controversial in recent years. The tax definition is currently in litigation. A final ruling could have significant budgetary implications.

**The state total equalized property valuation increased from $65.3 billion in 1997 to $70.2 billion in 1998.**

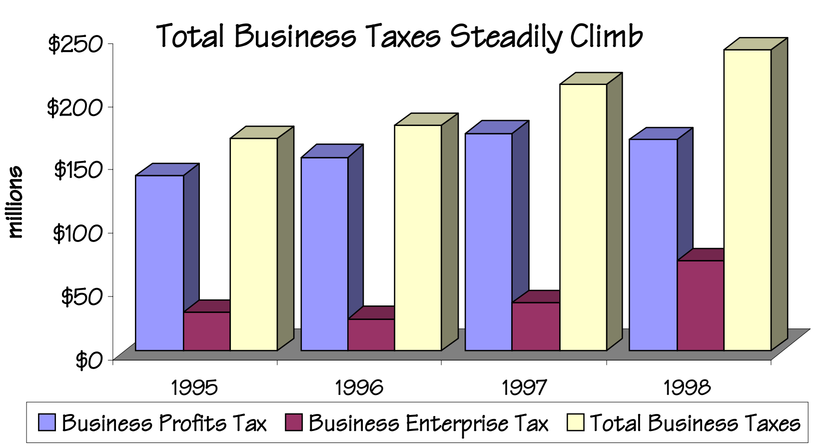



Figure 12.a: Busniess Taxes, 1995 - 1998

## General Fund Revenues

The state's General Fund unrestricted revenues rose $75.5 million to $973.0 million in FY98. The largest revenue item is the BPT. The BPT collected about $167.5 million in FY98. The BET jumped nearly $33 million in FY 1998 to over $71 million. What represented revenue amounting to about one-fifth that generated by the BPT in 1995 climbed to where it was over 42 percent the size of the BPT in 1998. The second largest unrestricted revenue source was the Meals and Rooms tax with an increase of $9.7 million in FY98. In FY95 the state began to share a portion of it with local governments. Revenue from liquor sales and distribution continued to increase after the dip in FY95. As a result of a tobacco tax increase per pack of cigarettes and an increase in out-of-state purchases, the tobacco tax brought in larger amounts of revenue over the last two years. Tobacco revenue increased $31.6 million, or 71 percent, from FY96 to FY98.

## General Fund Expenditures

General Fund net appropriations were $919.7 million for FY98, up $65.1 million from FY97. Net appropriations refer to the following government categories exclusive of debt service and capital outlay: general government, justice and public protection, resource protection and development, transportation, health and social services, and education. The largest increase in these net appropriations from FY97 to FY98 was in education ($30.2 million over-the-year). The largest increase over the FY95-FY98 period was in justice and public protection ($32.1 million in-

| 12. Government Revenues and Expenditures | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| UNRESTRICTED REVENUE TO STATE GENERAL FUND ($000s)(FY ending 6/30) | | | | | |
| Total unrestricted revenue | $962,833 | $818,806 | $897,453 | $973,030 | AS |
| Selected unrestricted general fund revenues | | | | | |
| Business profits tax | $138,348 | $152,683 | $171,990 | $167,471 | AS |
| Business enterprise tax | $29,764 | $24,969 | $38,239 | $71,036 | AS |
| Meals and rooms tax | $107,501 | $113,369 | $118,984 | $128,688 | AS |
| Liquor sales and distribution tax | $63,626 | $65,971 | $71,713 | $75,440 | AS |
| Insurance tax & securities revenue | $56,361 | $66,110 | $75,244 | $75,178 | AS |
| Tobacco tax | $44,065 | $44,537 | $50,436 | $76,128 | AS |
| Interest and dividends tax | $37,970 | $51,878 | $52,683 | $61,799 | AS |
| Board and care revenue | $14,439 | $13,628 | $13,992 | $12,966 | AS |
| Estate and legacy tax | $38,456 | $33,270 | $40,734 | $43,274 | AS |
| Telephone/communication tax | $33,212 | $35,519 | $39,253 | $40,134 | AS |
| Real estate transfer tax | $28,971 | $30,192 | $33,330 | $44,162 | AS |
| Utilities tax | $17,073 | $17,488 | $17,562 | $17,731 | AS |
| Uncompensated care pool | $152,552 | ($10,483) | $43,482 | $9,204 | AS |
| STATE GOVERNMENT GENERAL REVENUE | | | | | |
| TOTAL ($ millions) (FY ending 6/30) | $2,674 | $2,706 | $2,796 | $2,818 | AS |
| Taxes | $918.40 | $837.00 | $914.80 | $1,003.10 | AS |
| From Federal Government | $925.40 | $1,011.00 | $988.20 | $832.80 | AS |
| PER $1,000 PERSONAL INCOME: | | | | | |
| New Hampshire | $99.33 | $92.11 | $90.68 | $81.37 | NHES |
| United States | $131.23 | $126.77 | $133.96 | n/a | NHES |
| United States rank: | | | | | |
| Total general revenue | 50 | 50 | 50 | n/a | NHES |
| From taxes | 50 | 50 | 50 | n/a | NHES |
| From Federal Government | 37 | 31 | 33 | n/a | NHES |
| PER CAPITA: | | | | | |
| New Hampshire | $2,329 | $2,333 | $2,383 | $2,378 | CB |
| United States | $2,819 | $2,910 | $3,049 | n/a | CB |
| United States rank: | | | | | |
| Total general revenue | 47 | 48 | 48 | n/a | NHES |
| STATE GOVERNMENT GENERAL EXPENDITURES | | | | | |
| TOTAL ($ millions) (FY ending 6/30) | $2,717.9 | $2,841.1 | $2,891.5 | $2,707.9 | AS |
| PER $1,000 PERSONAL INCOME: | | | | | |
| New Hampshire | $100.96 | $96.70 | $93.79 | $78.20 | NHES |
| United States | $130.25 | $124.23 | $129.65 | n/a | NHES |
| United States rank: | | | | | |
| Total general expenditures | 50 | 50 | 49 | n/a | NHES |
| Education | 50 | 50 | 50 | n/a | NHES |
| Public welfare | 18 | 18 | 27 | n/a | NHES |
| Highways | 48 | 47 | 32 | n/a | NHES |
| PER CAPITA | | | | | |
| New Hampshire | $2,368 | $2,449 | $2,465 | $2,285 | CB |
| United States | $2,798 | $2,854 | $2,951 | n/a | CB |
| United States rank: | | | | | |
| Total general revenue | 44 | 42 | 46 | n/a | NHES |
| STATE & LOCAL GOVERNMENT GENERAL REVENUE PER $1,000 PERSONAL INCOME (FY ending 6/30) | | | | | |
| Total general revenue | $168.75 | $159.04 | n/a | n/a | CB |
| United States rank | 49 | 50 | n/a | n/a | CB |
| Total taxes | $96.68 | $89.13 | n/a | n/a | CB |
| United States rank | 47 | 50 | n/a | n/a | CB |
| Property tax | $61.97 | $60.10 | n/a | n/a | CB |
| United States rank | 1 | 1 | n/a | n/a | CB |
| Percent of total taxes | 64.1% | 67.4% | n/a | n/a | CB |
| Percent of general revenue | 36.7% | 37.8% | n/a | n/a | CB |
| United States rank | 2 | 1 | n/a | n/a | CB |

| 12. Government Revenues and Expenditures | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| PROPERTY VALUATIONS, EQUALIZED | | | | | |
| State total equalized valuation ($ millions) | $61,338 | $62,883 | $65,332 | $70,240 | RA |
| Annual percent change | 1.3% | 2.5% | 3.9% | 7.5% | RA/NHES |
| Percent in Hillsborough & Rockingham Counties | 52.3% | 52.5% | 52.9% | 53.8% | RA |
| Property tax assessment ratio | 104.0% | 103.0% | 101.0% | 97.0% | RA |
| Full value tax rate per $1,000 | $25.10 | $26.38 | $26.22 | $24.87 | RA |
| UNEMPLOYMENT INSURANCE TAX | | | | | |
| Average tax per worker (federal & state) in private covered employment | $183 | $138 | $104 | $106 | NHES |

crease). Traditionally the largest portion of the expenditure side of the budget (44 percent for FY98) is for health and social services.

## Property Tax

The state total equalized property valuation increased from $65.3 billion in 1997 to $70.2 billion in 1998. That is still slightly below the level of valuation at the beginning of the decade. This is mainly attributable to the extreme real estate market fluctuations from the boom in the 1980s through the recession period in the early 1990s. Real estate has recovered since mid-decade and looks promising into the next decade.

The State Supreme Court Claremont decision is expected to affect general education revenues and expenditures beyond 1998. A temporary statewide property tax of $6.60 per $1,000 of assessed valuation has been enacted for education funding. As this tax is to expire in April 2003, the legislature will be called upon to decide if this tax will remain temporary or be permanent in some form.

Under this tax plan, the state will fund $4,220 per pupil to school districts. In 1998 the amount spent per student was $5,880. Local school taxes are required to provide the difference between the state funding and actual district costs. As a result of the statewide property tax, most communities will see property taxes decline while some towns have the potential for significant increases.

The average unemployment insurance (UI) tax paid per covered worker increased from $104 in 1997 to $106 in 1998. For a three-year period, from 1995 to 1998, the UI tax per worker decreased by 42 percent. Over the past few years increased fund balances led to lower UI tax rates.

There have been significant economic changes over the last two years. New Hampshire, along with Oregon, enjoyed the largest economic growth among the states in 1997. In the *1998 Development Report Card for the States*, the New Hampshire economy, with low unemployment and excellent job growth, was rated as the fifth best in the nation. Conversely, the state was ranked 48th in fiscal stability. For 1998 New Hampshire's revenues exceeded expenditures. Although many significant issues still face the state, education funding looms as the major issue to be resolved.

*Scott Gessis*

Tobacco Revenues Increased Significantly in 1998

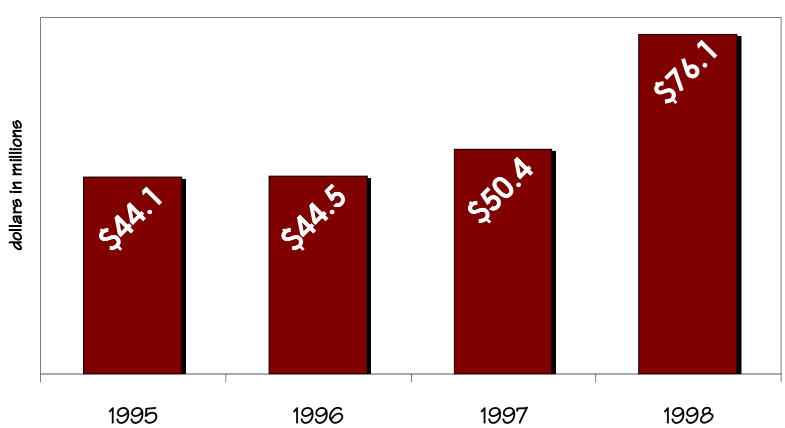



Figure 12.b: Tobacco Revenues, Fiscal Year 1995-1998

# 13. Income and Wages

Total wages paid by New Hampshire employers reached $17.8 billion in 1998, an over-the-year increase of nearly $1.5 billion. This follows an increase of over $1.34 billion in 1997 and annual increases near or over $1.0 billion in the previous three years. This gives a five-year total of $5.6 billion added to New Hampshire's economy from this single source. This total represents a 45.9 percent increase over the five years.

Part of this increase is from a rise in employment of 86,459, but the balance is from a jump in the average weekly wage paid by New Hampshire employers. Over the five years the average weekly wage has gone from $475.83 to $599.04. The 1998 average weekly wage was up $34.94 over 1997, a 6.2 percent increase. Finance, insurance, and real estate employees enjoyed the largest increase in pay - more than $68; while those in Construction saw a hike of over $45. Retail trade employees received the smallest pay hike with an increase of $22.10 a week.

## Personal Income

The state's total personal income was $34,626 million in 1998, an over-the-year increase of 6.4 percent and the fastest growth in New England. Over-the-year

**New Hampshire's 1998 per capita personal income rose from eighth to seventh highest in the nation at $29,219.**

increases in the nation ranged from 8.9 percent in Colorado to 2.5 percent in Hawaii. Nationwide, total personal income increased 5.7 percent.

## Per Capita Personal Income

New Hampshire's 1998 per capita personal income rose from eighth to seventh highest in the nation at $29,219. This represents a 5.2 percent increase from 1997. Per capita personal income for the nation was $26,482, an increase of 4.7 percent. New England per capita income increased by 5.2 percent to $32,007 for 1998.

New Hampshire's Per Capita Personal Income Increased More Than The Nation's Five Of The Last Eight Years

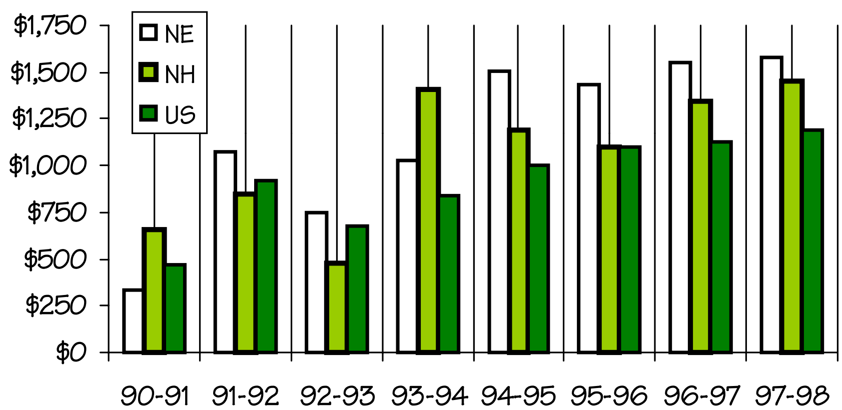



Figure 13.a: Per Capita Personal Income Changes Over The Year

| 13. Income and Wages | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| TOTAL PERSONAL INCOME ($ millions) | $29,051 | $30,633 | $32,546 | $34,626 | BEA |
| Components: | | | | | |
| Net Earnings [a] | 67.8% | 68.3% | 69.1% | 70.0% | BEA |
| Dividends, interest, rent | 18.0% | 18.7% | 18.3% | 17.6% | BEA |
| Transfer payments | 14.1% | 13.3% | 12.8% | 12.4% | BEA |
| PER CAPITA PERSONAL INCOME | $25,341 | $26,418 | $27,766 | $29,219 | BEA |
| United States rank (excluding D.C.) | 7 | 8 | 8 | 7 | BEA |
| Annual percent change | 5.1% | 4.3% | 5.1% | 5.2% | BEA |
| Percent change after adjusting for inflation using CPI | 2.5% | 0.9% | 3.3% | 3.6% | |
| Percent change after adjusting for inflation using PCE[b] | 2.8% | 2.2% | 3.2% | 4.4% | BEA/NHES |
| PER CAPITA DISPOSABLE INCOME | $22,857 | $23,140 | $24,104 | $25,188 | BEA |
| United States rank (excluding D.C.) | 5 | 7 | 5 | 5 | BEA |
| Annual percent change | 5.8% | 1.2% | 4.2% | 4.5% | NHES/BEA |
| Percent change after adjusting for inflation using CPI | 3.2% | -2.0% | 2.4% | 2.8% | |
| Percent change after adjusting for inflation using PCE[b] | 3.5% | -0.8% | 2.3% | 3.7% | BEA/NHES |
| MEDIAN HOUSEHOLD INCOME | | | | | |
| New Hampshire | $39,171 | $39,407 | $40,854 | $42,511 | CB |
| Connecticut | $40,243 | $42,119 | $43,151 | $44,978 | CB |
| Maine | $33,858 | $34,696 | $34,641 | $34,989 | CB |
| Massachusetts | $38,574 | $39,494 | $41,016 | $42,017 | CB |
| Rhode Island | $35,359 | $36,986 | $36,623 | $38,150 | CB |
| Vermont | $33,824 | $32,358 | $34,592 | $36,196 | CB |
| TOTAL WAGES in employment covered by unemployment compensation ($ millions) | | | | | |
| Private and public employers | $13,977 | $15,004 | $16,344 | $17,822 | NHES |
| Annual percent change | 7.3% | 7.3% | 8.9% | 9.0% | NHES |
| AVERAGE WEEKLY WAGES IN PRIVATE EMPLOYMENT covered by unemployment compensation | | | | | |
| All industries (annual average) | $510.10 | $531.68 | $564.10 | $599.04 | NHES |
| Annual percent change | 4.8% | 4.2% | 6.1% | 6.2% | NHES |
| Manufacturing | $665.37 | $699.88 | $746.70 | $778.17 | NHES |
| Construction | $548.21 | $577.86 | $624.28 | $674.67 | NHES |
| Mining | $614.94 | $642.21 | $657.07 | $698.12 | NHES |
| Transportation, communications, and utilities | $637.35 | $660.46 | $681.94 | $713.27 | NHES |
| Wholesale trade | $810.92 | $815.19 | $855.48 | $905.06 | NHES |
| Retail trade | $289.13 | $298.87 | $316.72 | $337.58 | NHES |
| Finance, insurance, and real estate | $645.92 | $676.95 | $744.81 | $813.95 | NHES |
| Services | $478.23 | $498.53 | $520.68 | $554.39 | NHES |
| AVERAGE WEEKLY EARNINGS | | | | | |
| Production Workers in Manufacturing Employment | $496.70 | $511.21 | $527.10 | $527.40 | BLS |
| United States rank (including D.C.) [1 = highest] | 27 | 26 | 30 | 32 | BLS |
| U.S. PRICE INDICES: | | | | | |
| CONSUMER PRICE INDEX, All Urban Consumers, Year End | | | | | |
| (December each year) | 153.5 | 158.6 | 161.3 | 163.9 | BLS |
| December to December percent change | | | | | |
| (U.S., 1982-4 = 100) | 2.5% | 3.3% | 1.7% | 1.6% | BLS |
| IMPLICIT PRICE DEFLATOR FOR PCE[b] (1992=100) | 107.6 | 109.8 | 111.8 | 112.7 | BEA |
| Percent change | 2.3% | 2.0% | 1.8% | 0.8% | BEA/NHES |

[a] Earnings (wages and salaries, other income, and proprietors' income) by place of work, less personal social insurance by place of work, adjusted for place of residence.

[b] Personal Consumption Expenditures (PCE)

After adjusting for inflation using the Consumer Price Index (CPI-U), 1998 per capita personal income (PCPI) in New Hampshire increased 3.6 percent over the year. When deflated by the Implicit Price Deflator for Personal Consumption Expenditures, there was 4.4 percent growth.

## Per Capita Disposable Income

In 1998 New Hampshire remained fifth highest in the nation in per capita disposable income (PCDI). The 1998 difference between personal income and disposable income per capita was $4,031 in New Hampshire. When deflated against the CPI, disposable income per capita increased 2.8 percent in 1998.

## Consumer Price Index

The Consumer Price Index for all Urban Consumers (CPI-U) is a measure of the average change over time in the prices paid by urban consumers for a fixed market basket of consumer goods and services. The CPI-U provides a way for consumers to compare what the same market basket of goods cost a month or a year ago.

The December 1997 to December 1998 change in the CPI-U was 1.6 percent. This is the lowest December to December change in the CPI-U since 1986 when it was 1.1 percent. The CPI-U consists of eight components. Other goods and services grew the fastest, 5.7 percent. Medical care increased 3.2 percent followed by housing (2.3 percent), food and beverages (2.2 percent), education and communication (1.9 percent), and recreation (1.5 percent). Apparel saw a slight increase, 0.1 percent, while transportation recorded the only decrease among the components, -1.9 percent.

*Elisabeth Picard*

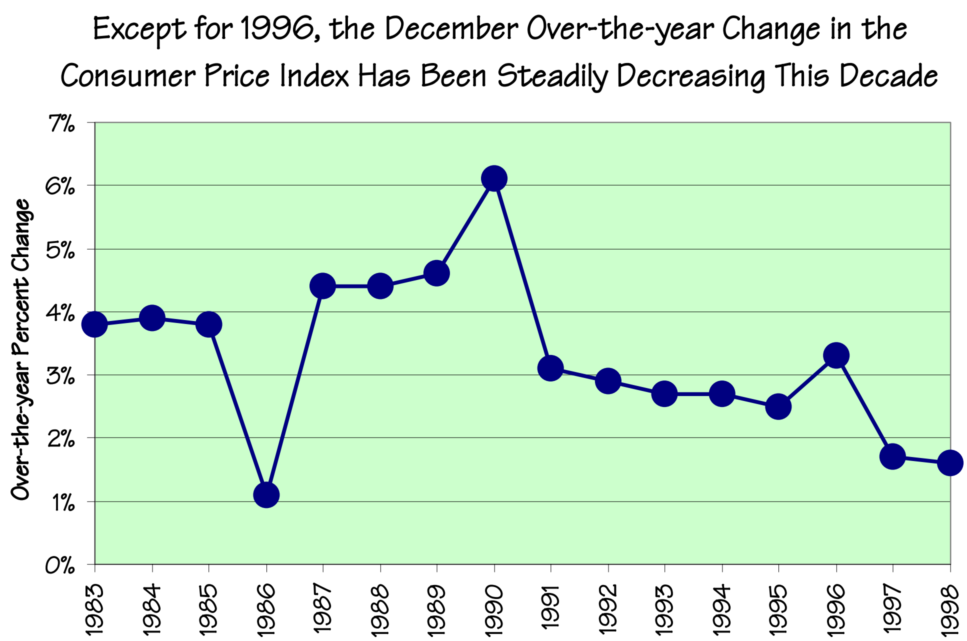



Figure 13.b: December Over-the-year Percent Change , Consumer Price Index, 1983-1998

# 14. Social Assistance

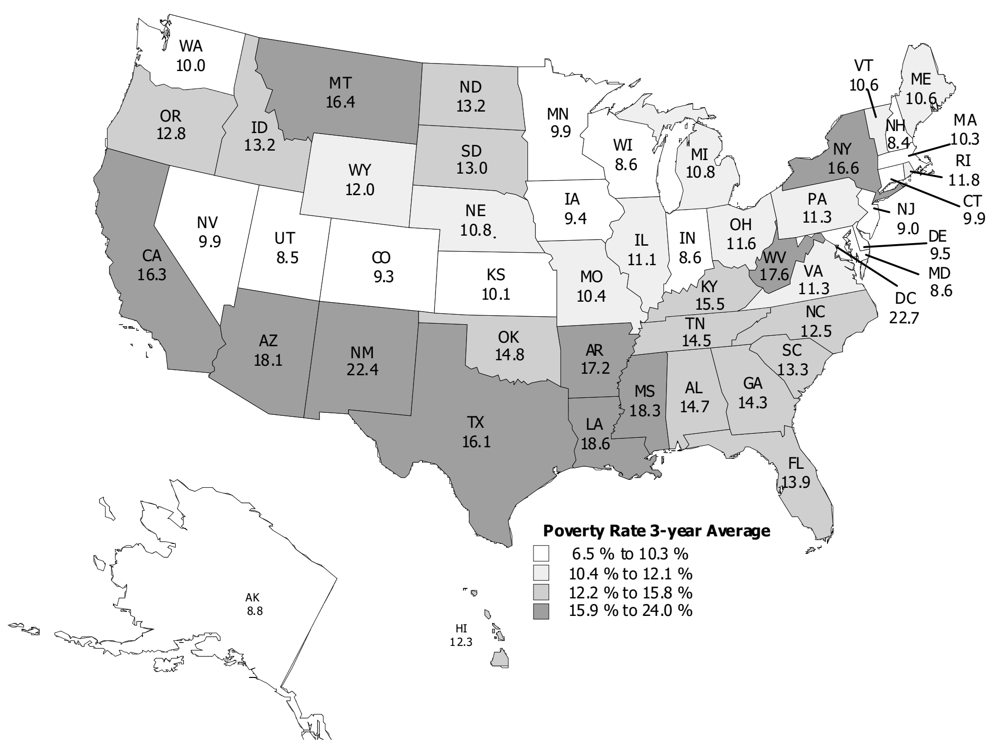
The Office of Family Services now manages the economic support programs previously supervised by the Office of Economic Services (OES). Temporary Assistance to Needy Families (TANF) stands as the main vehicle for those programs formerly associated with Aid to Families with Dependent Children (AFDC). To be eligible for TANF benefits the family unit must include a child under 18 years of age or in other specified circumstances, and meet income, expense, and resources guidelines. TANF is composed of two elements, New Hampshire Employment Program (NHEP) and Family Assistance Program (FAP). The NHEP provides services to families headed by an able-bodied adult. The focus of NHEP is to aid participants to become self-sufficient by providing needed employment counseling, case management, and an array of services such as transportation and tuition assistance for certain educational programs. FAP furnishes support services for families with incapacitated adults as family heads and for nonparent caretaker situations. The Division of Transitional Assistance has colocated some of their staff to New Hampshire Employment Security offices throughout the state. This allows the Division's staff to work as a team with Employment Security and New Hampshire Job Training Council specialists in providing employment opportunities to clients.[1]

**New Hampshire Social Security beneficiaries totaled 192,320 persons in 1998.**

On July 1, 2000, the Job Training Partnership Act (JTPA), including the programs under its governance such as the Job Training Council, will be repealed. The JTPA functions will essentially fall under the provisions of the Workforce Investment Act (WIA) that was signed into law on August 7, 1998.

Percent of Persons in Poverty

Three-year Moving Average, 1996-1998



New Hampshire's statewide WIA plan will be submitted by April 2000 for approval, and will be implemented on July 1, 2000. The goal of WIA is "to increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation."[2]

Data from the TANF program have replaced the similar AFDC measures in earlier editions of *Vital Signs*. Preliminary results indicate that while the annual average number of cases open in New Hampshire on the last day of the month has declined over 40 percent from 1994 to 1998, the number of cases with a nonparent relative caretaker has increased more than 23 percent. In 1994 the latter cases represented 12.4 percent of total cases, while in 1998 they accounted for 27.0 percent of total cases.

## Poverty

A recent release from the U.S. Census Bureau showed New Hampshire retained the lowest poverty rate in the nation, with a 1996-to-1998 three-year moving average rate of 8.4 percent. New Hamp-shire's poverty rate has been consistently lower than both the U.S. and the Northeast region rates since 1980, and is the lowest among the six New England states. Because there is a relatively large standard error in year-to-year changes, the three-year moving average is the most accurate method of evaluating changes over time. Poverty data is compiled from the Current Population Survey (CPS) and is defined by a poverty threshold based on size of family and the Consumer Price Index. The 1998 U.S. poverty threshold for a family of four is defined as $16,813 annual income, an increase of $363 over 1997.[3]

The most recent county-level poverty rates released by the U.S. Census Bureau were for 1995. Coos County had both the highest poverty rate of 10.6 percent for people of all ages and of 11.7 percent for people under 18. The statewide rate of poverty for people under 18 was 7.5 percent, in contrast to an all ages rate of 6.9 percent.[4]

Rockingham County had the lowest total rate of persons in poverty and the lowest rate of people under 18 in poverty with both rates at 5.2 percent. Both the largest number of 23,570 people in poverty and of 6,774 people under 18 in poverty were found in Hillsborough County. Nonetheless, with poverty rates of 6.6 percent and 7.3 percent respectively for these measures, Hillsborough County was below comparable statewide rates.[5]

## Social Security Trust Funds

The Board of Trustees reported in the Summary of the 1999 Annual Social Security and Medicare Trust Fund Report that the overall financial condition of Social Security and Medicare Trust Funds improved again during the past year.[6] Funding of the trust funds is projected to be adequate until 2034, two years later than projected last year. A combination of the continued strong economy, lower health costs generally, and persisting efforts to combat fraud and abuse have moderated the short

**Projected Critical Dates Important to the Social Security Trust Funds**

2014—First year Old Age, Survivors, and Disability Insurance (OASDI) outgo exceeds tax income
2015—Year Health Insurance Trust Fund assets are exhausted
2020—Year Disability Insurance Trust Fund assets are exhausted
2022—First year OASDI outgo exceeds tax plus interest income
2034—Year combined OASDI Trust Funds' assets are exhausted
2036—Year Old Age and Survivors Insurance Trust Fund assets are exhausted

Source: Social Security Bulletin, Vol. 62, No. 2, 1999

| 14. Social Assistance | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| POVERTY | | | | | |
| Persons below poverty (percent of population)[a] | | | | | |
| Caution: relatively large standard errors | | | | | |
| New Hampshire | 7.6% | 6.5% | 6.9% | 8.4% | CB |
| Connecticut | 9.7% | 10.7% | 10.0% | 9.9% | CB |
| Maine | 12.0% | 10.6% | 10.9% | 10.6% | CB |
| Massachusetts | 10.5% | 10.3% | 11.1% | 10.3% | CB |
| Rhode Island | 10.7% | 10.6% | 11.5% | 11.8% | CB |
| Vermont | 9.3% | 10.2% | 10.7% | 10.6% | CB |
| United States | 13.8% | 14.0% | 13.6% | 13.2% | CB |
| TANF (Annual averages) | | | | | |
| Total cases (average open on last day of each month) | 9,071 | 7,745 | 6,529 | 6,123 | DHS |
| Percent change | -12.7% | -14.6% | -15.7% | -6.2% | DHS |
| Average number persons per case | 2.6 | 2.5 | 2.5 | 2.4 | DHS |
| Percent with earned income | 8.0% | 9.2% | 13.3% | 12.2% | DHS |
| Number with nonparent relative in case | 1,365 | 1,430 | 1,482 | 1,550 | DHS |
| Percent change | 8.4% | 4.8% | 3.6% | 4.6% | DHS |
| TANF/AFDC RECIPIENTS PER 1,000 POPULATION (July data) | | | | | |
| New Hampshire | 23.1 | 20.0 | 14.9 | 12.4 | OFA/NHES |
| United States rank (1=lowest) | 5 | 3 | 3 | 5 | OFA/NHES |
| Connecticut | 51.7 | 48.4 | 46.3 | 38.0 | OFA/NHES |
| United States rank (1=lowest) | 37 | 37 | 45 | 44 | OFA/NHES |
| Maine | 46.9 | 43.8 | 37.4 | 31.1 | OFA/NHES |
| United States rank (1=lowest) | 32 | 32 | 35 | 39 | OFA/NHES |
| Massachusetts | 42.3 | 37.3 | 32.2 | 27.0 | OFA/NHES |
| United States rank (1=lowest) | 27 | 27 | 30 | 32 | OFA/NHES |
| Rhode Island | 59.8 | 57.6 | 55.2 | 54.8 | OFA/NHES |
| United States rank (1=lowest) | tie 46 | 46 | 46 | 49 | OFA/NHES |
| Vermont | 45.6 | 41.8 | 38.0 | 33.3 | OFA/NHES |
| United States rank (1=lowest) | 30 | tie 30 | 36 | 41 | OFA/NHES |
| SOCIAL SECURITY RECIPIENTS (December data) | | | | | |
| Total OASDI including spouses and children | 186,290 | 188,350 | 190,280 | 192,320 | SSA |
| Annual percent change | 3.4% | 1.1% | 1.0% | 1.1% | SSA |
| Retirement (Retired workers)[b] | 124,230 | 125,580 | 127,020 | 128,380 | SSA |
| Survivor (Widows, Widowers and Parents)[b] | 18,970 | 18,820 | 18,220 | 18,230 | SSA |
| Disability (Disabled workers)[b] | 17,580 | 18,630 | 19,650 | 20,270 | SSA |
| Age 65 and over | 136,290 | 138,030 | 139,670 | 141,460 | SSA |
| Percent of total OASDI recipients | 73.2% | 73.3% | 73.4% | 73.6% | SSA/NHES |
| Age 65-69 years | 39,480 | 38,810 | 38,810 | 38,360 | SSA |
| Age 70-74 years | 35,720 | 36,520 | 36,860 | 37,770 | SSA |
| Age 75 years and older | 61,090 | 62,700 | 64,000 | 64,330 | SSA |
| Percent women | 58.8% | 58.7% | 58.6% | 58.4% | SSA/NHES |
| Children aged 17 and under | 11,780 | 11,790 | 11,990 | 11,940 | SSA |
| Monthly OASDI benefit amount total (000) | 96,773 | 101,586 | 105,959 | 109,741 | SSA |
| Retired workers (median) | $725.40 | $754.00 | $776.80 | $795.50 | SSA |
| Non-disabled widows and widowers (median) | $699.10 | $731.80 | $762.90 | $789.50 | SSA |
| Disabled workers (median) | $652.20 | $667.00 | $689.90 | $693.00 | SSA |

[a] 3-year moving average

[b] Excludes spouses and children

term financing problems. Still, the longer term financing difficulties of the funds "need to be addressed soon to allow time for phasing in any necessary changes."

Trust fund exhaustion means that its accumulated assets are depleted. Payroll tax and other income will continue to flow into the fund. For example, in 2034 tax income to the combined OASI and DI funds is estimated to be sufficient to pay 71 percent of program costs. The trustees noted that enacting modest changes in benefits or eligibility triggered by changes in key indicators would be one way to deal with "the uncertainty and political gridlock" surrounding Social Security reform.

In December 1998 Social Security benefits nationwide were paid to 44,246,000 persons. This group represented 16.0 percent of the total population and 91.0 percent of the population 65 years or older. New Hampshire Social Security beneficiaries totaled 192,320 persons in 1998. They included 16.2 percent of the total population of the state and 99.4 percent of the state's population aged 65 or older. Monthly payments to New Hampshire residents in December 1998 totaled $141 million.

A total of 11,290 New Hampshire citizens received Federal Supplemental Security Income (SSI) payments in December 1998, of which 1,124 were aged and 10,166 were disabled and/or blind. Of the SSI recipients, 1,985 were aged 65 or older, 7,599 were between 18 and 64 years, and 1,706 were under 18 years old. The total number of New Hampshire residents receiving either a Social Security benefit, a federally administered SSI payment, or both in December 1999 was 199,250.[7]

## Kids Cabinet

In 1998 the Governor assembled a Kids Cabinet in New Hampshire. Members of the Cabinet include the Commissioners of the Departments of Health and Human Services, Education, Employment Security, Safety, and Corrections; the Attorney General; the Coordinator of the New Hampshire Highway Safety Agency; the Adjutant General; and the Administrative Justice of the District and Municipal courts. The focus of the Kids Cabinet is to function as an overseer to improve coordination across children's programs and expand the effectiveness of the "efforts to improve life for New Hampshire's families and children."

The Cabinet reviewed and evaluated the programs and sources of funding available to provide children's services when required. It is currently working on a set of issues deemed to need attention:

- ✰ improving the quality, affordability, and availability of child care;
- ✰ improving the quality, affordability, and availability of after-school care;
- ✰ increasing the number of children who have health coverage;
- ✰ reducing the rates of youth substance abuse and sexual activity;
- ✰ and helping parents help their children through parent support activities.[8]

*Rosanne Marney-Hay*

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[1] Department of Health and Human Services; "Introduction to the Department;" <http://www.state.nh.us/dhhs/Briefing.htm>.
[2] U.S. Department of Labor; "Workforce Investment Act, Implementation Training Introduction;" <http://usworkforce.org/wia/training/introduction.htm>.
[3] U.S. Census Bureau; "Poverty Thresholds:1998;" published May 1999; <http://www.census.gov/hhes/poverty/threshld/thresh98.htm>.
[4] U.S. Census Bureau; " Poverty Estimates: 1995;" published February 1999; <http://www.state.nh.us/osp/planning/SDC/POVcountyNH.htm>.
[5] Ibid.
[6] Social Security Administration; "Summary of the 1999 Annual Social Security and Medicare Trust Fund Reports;" Social Security Bulletin, Vol. 62, No. 2, 1999.
[7] Social Security Administration; "State Statistics - New Hampshire;" published December 1998; <http://www.ssa.gov.statistics/ores_home.html>.
[8] State of New Hampshire; "Governor Jeanne Shaheen, Issues & Initiatives - Kids Cabinet;" <http://www.state.nh.us/governor/family/kidscabinet.html>.

# 15. Health

New Hampshire is ranked the second healthiest state in 1999, for the second year in a row, according to UnitedHealth Group. Reliastar formerly did this ranking of the healthiest state; UnitedHealth Group now has the responsibility to continue this ranking. This state has been one of the top five healthiest states in the nation since 1993. Minnesota has been ranked the healthiest state in the nation since 1996. All of the New England states are ranked in the top ten except for Rhode Island at sixteenth.

**The Granite State has had the top national composite rank [for the status of children] for seven of the past ten years, including 1999.**

UnitedHealth Group analyzed seventeen factors to rank each state. New Hampshire had the lowest infant mortality rate and had the highest support for public health care. New Hampshire was tied with Maine, North Dakota, and Vermont for the lowest violent crime rate in the nation.

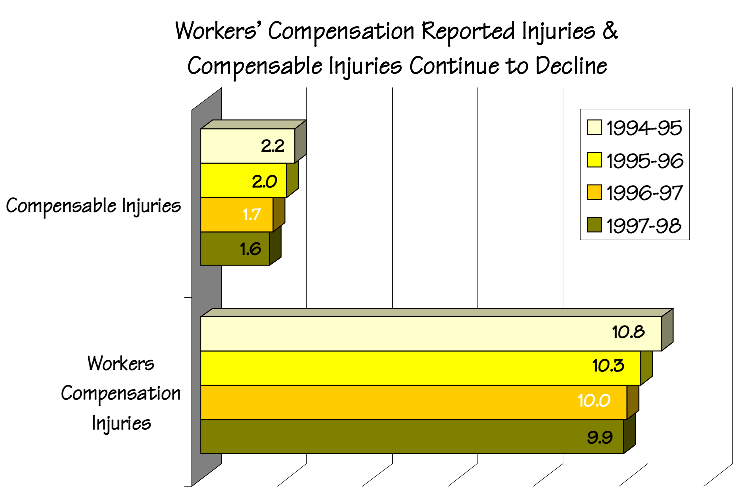


Figure 15.a: Worker's Compensation Injuries and Compensable Injuries per 100

This state ranked poorly in high school graduation rate and prevalence of smoking. New Hampshire's worst ranking was high school graduation rate where it was thirty-first. New Hampshire ranked twenty-seventh in prevalence of smoking tied with Iowa and Wisconsin. Both of these factors, although poor, ranked above the national rank.[1]

Morgan Quitno Press also ranks states' health factors. Here New Hampshire ranked fourth healthiest state, a drop from last year's third place. Minnesota, Hawaii, and Vermont all ranked ahead of New Hampshire. Four of the six New England states made the top ten healthiest states. Vermont and New Hampshire switched places from last year. Maine and Massachusetts were ranked seventh and eighth, while Connecticut and Rhode Island ranked twentieth and twenty-first respectively.

Morgan Quitno Press used twenty-one factors to rank this year's healthiest states. Two factors from last year's ranking were removed: hospitals per 1,000 square miles and percent change in uninsured of the remaining factors.
New Hampshire has the lowest rate of sexually transmitted diseases in the nation. The state ranked second lowest in births to teenage mothers as a percent of live births and percent of mothers receiving late or no prenatal care.
New Hampshire ranked lower in a few areas. The state ranked twelfth in per capita personal health expenditures and thirteenth in both percent of adults who are binge drinkers and percent of adults who smoke.[2]

## Insurance

The downward trend in Workers' Compensation continues. In the 1997-98 fiscal year, there were 9.9 on-the-job injuries per 100 in employment. The 1998-99 fiscal year continued with the decrease in

| 15. Health | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| HOSPITAL INSURANCE | | | | | |
| Medicare: | | | | | |
| Aged | 138,000 | 140,000 | 141,000 | 143,000 | SSA |
| Disabled | 17,000 | 19,000 | 20,000 | 21,000 | SSA |
| Average covered charge per day of care | | | | | |
| Short-stay hospitals: | | | | | |
| New Hampshire | $1,699 | $1,847 | $2,011 | $2,177 | SSA |
| New England | $1,763 | $1,916 | $2,051 | $2,185 | SSA |
| United States | $1,921 | $2,082 | $2,254 | $2,401 | SSA |
| Skilled Nursing Facilities | | | | | |
| New Hampshire | $413 | $422 | $455 | n/a | SSA |
| New England | $347 | $390 | $430 | n/a | SSA |
| United States | $402 | $443 | $487 | n/a | SSA |
| Medicaid: | | | | | |
| Average payments per recipient | | | | | |
| New Hampshire | $4,880 | $5,496 | $5,818 | $5,816 | SSA |
| New England | $4,846 | $4,919 | $5,814 | $5,458 | SSA |
| United States | $3,311 | $3,369 | $3,679 | $3,568 | SSA |
| WORKERS' COMPENSATION PAYMENTS | | | | | |
| | 1994-95 | 1995-96 | 1996-97 | 1997-98 | |
| Reported injuries & compensable disabilities | | | | | |
| Injuries per 100 in employment | 10.8 | 10.3 | 10.0 | 9.9 | LD |
| Compensable injuries per 100 in employment | 2.2 | 2.0 | 1.7 | 1.6 | LD |
| Benefits paid by insurance companies and self insurers | | | | | |
| (Calendar year, $ millions) | $160.3 | $167.1 | $149.0 | $146.0 | LD |
| Annual percent change | -9.7% | 4.2% | -10.8% | -2.0% | LD/NHES |
| HEALTH SERVICES | | | | | |
| General hospitals, acute care only (excludes nursing home beds) | | | | | |
| Total admissions | 109,708 | 108,340 | 101,070 | n/a | HA |
| Percent change | | | | | |
| New Hampshire | 4.1% | -1.2% | -6.7% | n/a | HA |
| New England | -3.1% | -1.3% | n/a | n/a | HA |
| United States | 0.7% | 0.5% | n/a | n/a | HA |
| Total number of inpatient days | 753,739 | 706,396 | 605,218 | n/a | HA |
| Inpatient days per 1,000 population: | | | | | |
| New Hampshire | 662.9 | 588.7 | 504.4 | n/a | HA |
| New England | 722.0 | 679.5 | n/a | n/a | HA |
| United States | 767.8 | 746.2 | n/a | n/a | HA |
| Average length of stay (in days): | | | | | |
| New Hampshire | 6.8 | 6.5 | 6.0 | n/a | HA |
| New England | 6.3 | 6.0 | n/a | n/a | HA |
| United States | 6.4 | 6.2 | n/a | n/a | HA |
| Inpatient Surgeries | 31,621 | 31,482 | 28,880 | n/a | HA |
| Outpatient Surgeries | 50,193 | 52,332 | 53,564 | n/a | HA |
| TOTAL EXPENSE PER CAPITA | | | | | |
| New Hampshire | $977.1 | $998.6 | n/a | n/a | HA |
| Annual percent change | 5.8% | 2.2% | n/a | n/a | HA/NHES |
| New England | $1,251.7 | $1,260.1 | n/a | n/a | HA |
| Annual percent change | 1.4% | 0.7% | n/a | n/a | HA/NHES |
| United States | $1,092.5 | $1,123.7 | n/a | n/a | HA |
| Annual percent change | 2.6% | 2.9% | n/a | n/a | HA/NHES |

Worker's Compensation claims, with 9.5 on-the-job injuries per 100 in employment. Compensable injuries decreased to 1.6 on-the-job injuries per 100 in employment for fiscal year 1997-98. The trend continued through fiscal year 1998-99, with 1.4 compensable on-the-job injuries per 100 in employment. Benefits paid by insurance companies and self-insurers decreased by 2.0 percent to bring the total to $146 million.
Since 1995 the number of aged Medicare enrollees has increased by 5,000, while the number of disabled Medicare enrollees increased by 1,000. It is estimated that 96,000 New Hampshire residents under the age of 65 are uninsured. Of those, 26 percent are children.[3]

## Healthy Kids

For the past twelve years the Annie E. Casey Foundation has assessed trends in the well being of America's Children. They used ten indicators to examine the status of children. According to the Foundation's *Kids Count 1999*, New Hampshire has consistently been one of the top states every year. The Granite State has had the top national composite rank for seven of the past ten years, including 1999. Besides New Hampshire, only North Dakota (twice) and Iowa took a top spot in the nation in the nineties.

*Kids Count 1999* was based on 1996 data. New Hampshire led (lowest rated best) the nation in three of the ten categories – percent low birth weight babies, teen birth rate, and percent of children in poverty. The category that New Hampshire rated the poorest was percent of families with children headed by a single parent where the Granite State was thirteenth in the nation.

Two phases of the New Hampshire Children's Health Insurance Plan are underway. This plan was developed to ensure that children in New Hampshire get health care coverage. Phase one (gold phase) began in May 1998 and in order to make Medicare available to newborns up to age 1. Phase two (silver phase) began in January 1999 and is intended to provide health care coverage for children ages 1 to 19.[4]

## Information Alternatives

Many individuals are now more informed about their health care needs as information is more accessible. It is more common for people today to research and learn as much as possible about different procedures and illnesses.

• The Internet offers a wide variety of health care, fitness, and nutrition Web sites. Information can be accessed on various topics from raising a child to symptoms of a disease.

• Cable television has channels dealing strictly with health care and related issues. Individuals can watch a surgery and learn about how the procedure will be done. This can help answer some of their questions when they see and hear what will happen to them.

• Books and magazines are more readily available. Individuals can read about a procedure and be more informed when they talk to their doctors.

• Videotapes are offered to patients so they can preview the procedure to be done.

*Gail Houston*

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[1] UnitedHealth Group. *UnitedHealth Group State Health Rankings*. 1999 Edition.
[2] Morgan Quitno Press; *Results of the 1999 Healthiest State Award*; <http://www.morganquitno.com/>
[3] New Hampshire Department of Health and Human Services. Office of Planning and Research. *Health Insurance Coverage in New Hampshire*. Issue Brief 1999.
[4] Health Care Financing Administration; *New Hampshire Title XXI Program Fact Sheet*; <http://www.hcfa.gov/init/chpfsnh.htm>

# 16. Crime and Accidents

New Hampshire's first in the nation status did not pertain only to the presidential primary. The Granite State was also first in the nation in safety in 1998. New Hampshire's estimated total crime index (the number of offenses per 100,000 inhabitants) of 2,419.8 was the lowest in the nation in 1998.[1] This was a drop of 8.3 percent from 1997 and the eighth consecutive year New Hampshire's total crime index was lower than the other New England states and the nation.

The crime index is composed of selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are murder and nonnegligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson.

The total crime index in New Hampshire decreased more than one-third from 3,645.2 in 1990 to 2,419.8 in 1998. The Granite State's violent crime index declined for the third consecutive year from 118.2 in 1996 to 107.2 in 1998.

Not only did New Hampshire's crime index drop, but so did its number of crime offenses. The total number of offenses decreased 7.4 percent from 30,963 in 1997 to an estimated 28,675 in 1998. The total number of violent crimes decreased 4.4 percent from 1,328 in 1997 to 1,270 in 1998. The total number of property crimes dropped 7.5 percent from 29,635 in 1997 to 27,405 in 1998. The changes were particularly impressive considering the population increased during the same time period.

The Northeast region, made up of the New England and Middle Atlantic divisions, had the lowest crime index (3,473.5) in 1998, followed by the Midwest (4,379.4), the West (4,879.4), and the South (5,223.5). New England's total crime index of 3,388.1 was the lower of the two divisions in the Northeast.

The national crime rate has continued falling. The total crime index in the United States decreased for the seventh straight year. It has gone from 5,897.8 in 1991 to 4,615.5 in 1998.

**New Hampshire's estimated total crime index (the number of offenses per 100,000 inhabitants) of 2,419.8 was the lowest rate in the nation in 1998.**

## Incarceration

While the U.S. incarceration rate (prisoners per 100,000 population) has been rising from 403 in 1995 to 461 in 1998, New Hampshire's rate has remained a constant 182 for both 1995 and 1998. The number of prisoners, however, has increased from 2,087 in 1995 to 2,154 in 1998, and was relatively proportional to the growth in population during the same time period.

The Granite State has responded to its growing prison population. Construction

New Hampshire's Total Crime Index Was the Lowest in the Nation and Four of the Six New England States Ranked in the Top Ten

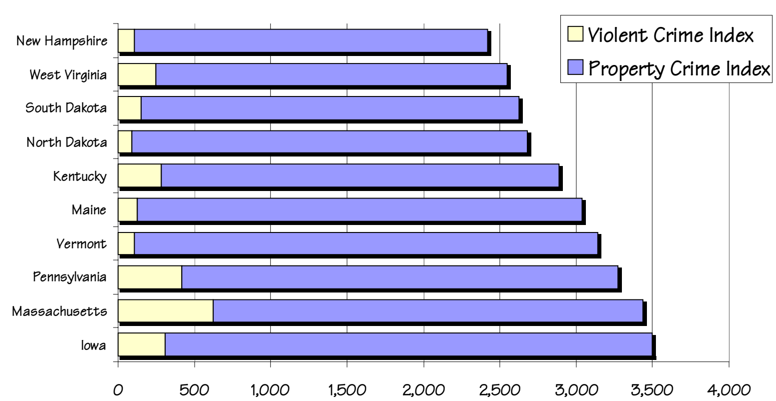



Figure 16.a: Total crime index (number of offenses per 100,000 population)

| 16. Crime and Accidents | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| CRIME OFFENSES | | | | | |
| Total crime offenses | 30,484 | 32,809 | 30,963 | 28,675 | FBI |
| Annual percent change | -2.2% | 7.6% | -5.6% | -7.4% | FBI |
| Violent crime offenses | 1,314 | 1,373 | 1,328 | 1,270 | FBI |
| Annual percent change | -1.1% | 4.5% | -3.3% | -4.4% | FBI |
| Property crime offenses | 29,170 | 31,436 | 29,635 | 27,405 | FBI |
| Annual percent change | -2.2% | 7.8% | -5.7% | -7.5% | FBI |
| TOTAL CRIME INDEX (Rate per 100,000 population) | | | | | |
| New Hampshire | 2,655.4 | 2,823.5 | 2,639.6 | 2,419.8 | FBI |
| Connecticut | 4,503.2 | 4,227.7 | 3,984.3 | 3,786.5 | FBI |
| Maine | 3,284.7 | 3,394.1 | 3,131.7 | 3,040.7 | FBI |
| Massachusetts | 4,341.6 | 3,837.1 | 3,675.2 | 3,435.9 | FBI |
| Rhode Island | 4,244.5 | 3,993.5 | 3,654.4 | 3,517.8 | FBI |
| Vermont | 3,433.7 | 3,002.9 | 2,828.2 | 3,139.1[a] | FBI |
| United States | 5,275.9 | 5,086.6 | 4,922.7 | 4,615.5 | FBI |
| VIOLENT CRIME INDEX (Rate per 100,000 population) | | | | | |
| New Hampshire | 114.5 | 118.2 | 113.2 | 107.2 | FBI |
| Connecticut | 405.9 | 412.0 | 390.9 | 366.3 | FBI |
| Maine | 131.4 | 124.9 | 120.8 | 125.8 | FBI |
| Massachusetts | 687.2 | 642.2 | 644.2 | 621.3 | FBI |
| Rhode Island | 368.0 | 347.2 | 333.5 | 312.1 | FBI |
| Vermont | 118.3 | 121.2 | 119.7 | 106.3[a] | FBI |
| United States | 684.6 | 636.5 | 610.8 | 566.4 | FBI |
| CRIMINAL ARRESTS | | | | | |
| Total | 35,400 | 37,615 | n/a | n/a | DS |
| Annual percent change | -3.0% | 6.3% | n/a | n/a | DS/NHES |
| Adult | -4.3% | 1.2% | n/a | n/a | DS |
| Juvenile | 1.9% | 24.5% | n/a | n/a | DS |
| Drug Offenses, Total | 3,035 | 2,991 | n/a | n/a | DS |
| Annual percent change | -1.5% | -1.4% | n/a | n/a | DS/NHES |
| Adult | -2.8% | -7.0% | n/a | n/a | DS |
| Juvenile | 5.8% | 27.4% | n/a | n/a | DS |
| DWI, Total | 5,487 | 5,523 | n/a | n/a | DS |
| Annual percent change | -7.0% | 0.7% | n/a | n/a | DS/NHES |
| Adult | -7.3% | 0.4% | n/a | n/a | DS |
| Juvenile | 16.9% | 15.7% | n/a | n/a | DS |
| STATE PRISON POPULATION (June 30th) | | | | | |
| Number of prisoners in State prison | 2,087 | 2,064 | 2,136 | 2,154 | DJ |
| Incarceration rate (prisoners/100,000 population) | 182 | 178 | 182 | 182 | DJ/NHES |
| U.S. incarceration rate (federal and state jurisdiction) | 403 | 427 | 436 | 461 | DJ |
| Probation and parole caseload (FY ending 6/30) | 5,583 | 5,360 | 5,959 | 6,316 | DC |
| TRAFFIC ACCIDENTS | | | | | |
| Total accidents reported | 28,301 | 30,925 | 30,937 | 33,686 | DS |
| Annual percent change | 9.0% | 9.3% | 0.0% | 8.9% | DS/NHES |
| Total injuries reported | 11,508 | 12,712 | 11,651 | 13,272 | DS |
| Annual percent change | 6.4% | 10.5% | -8.3% | 13.9% | DS/NHES |
| Fatal motor vehicle accidents | 107 | 125 | 120 | 115 | DS |
| Number of fatalities | 118 | 134 | 124 | 128 | DS |
| Percent alcohol involved | 30% | 28% | 38% | 34% | DS |
| Fatalities per 100 million vehicle miles | 1.10 | 1.22 | 1.00 | 1.02 | DT |
| AUTO INSURANCE CLAIMS LOSS - PERSONAL AND COMMERCIAL | | | | | |
| Total Claims ($ millions) | $317.8 | $349.6 | $367.3 | $359.2 | ID |

[a] Vermont reporting practices changed in 1998, invalidating comparisons to previous years

of a new state prison in Berlin is scheduled for completion in February 2000. The facility is designed to hold 500 inmates and its infrastructure can be expanded to accommodate 1,000 inmates. The state legislature further mandated a change in inmate capacity for the state prison in Laconia from 300 to 600 in July 1999. The prison was able to accommodate 500 inmates as of November 1999.

## Traffic Accidents

The number of total accidents reported increased substantially from 30,937 in 1997 to 33,686 in 1998. The number of total injuries reported increased 13.9 percent from 11,651 in 1997 to 13,272 in 1998. A greater frequency of icy road conditions, along with below average snowfall, contributed to the increases. The number of fatalities per 100 million vehicle miles, however, was virtually unchanged from 1.00 in 1997 to 1.02 in 1998. The number of alcohol related fatalities decreased slightly from 38 percent in 1997 to 34 percent in 1998.

Total personal and commercial auto insurance claims reported decreased 2.2 percent from $367.3 million in 1997 to $359.2 million in 1998. This decline was the first break in a series of annual increases dating from 1993 to 1997. The deceleration of annual increases from 10.0 percent in 1996 to 5.1 percent in 1997 preceded the turnaround in 1998.

*Bruce Olinsky*

[1] U.S. Department of Justice, Federal Bureau of Investigation, Crime in the United States 1998 Uniform Crime Reports (Washington D.C.: GPO, 17 October 1999), 74-82.

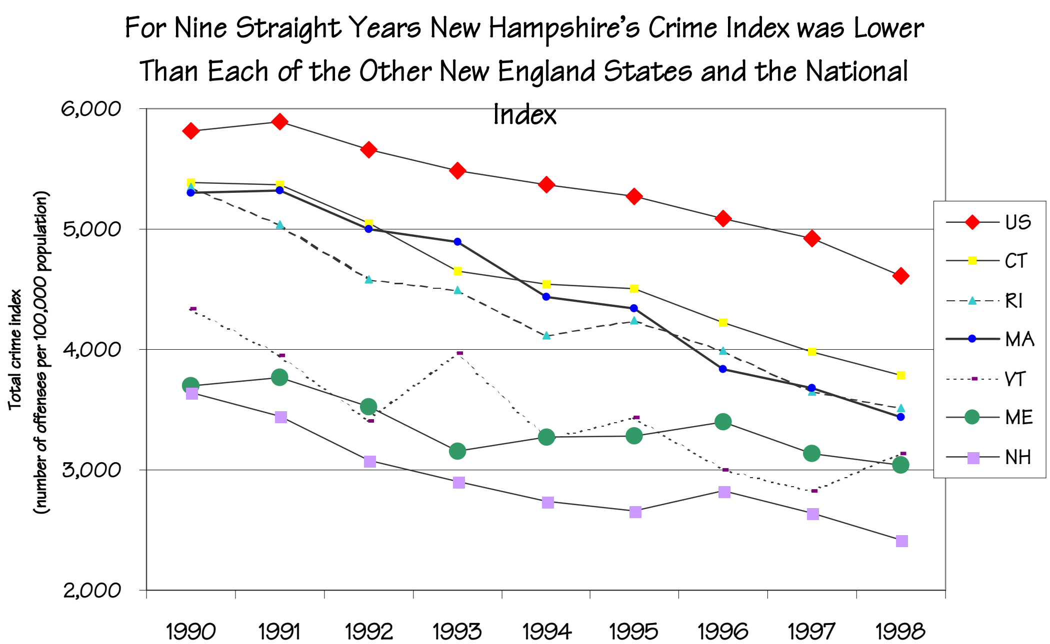



Figure 16.b: Total Crime Index, United States and New England States, 1990-1998

# 17. Environment

The six billion people who inhabit this planet place many demands on our environment. At times we forget that our cars, factories, landfills, etc. contribute to creating an unhealthy and polluted environment.

The United States Environmental Protection Agency (EPA) and the New Hampshire Department of Environmental Services (DES) have established programs to protect and revitalize our environment.

**At this time there are no counties in New Hampshire in violation of federal air quality standards for ozone.**

## Air Quality

There are two types of air pollutants, criteria and toxic. Criteria air pollutants include ozone (smog), carbon monoxide, sulfur dioxide, nitrogen dioxides, particulate matter, and lead. These are mostly by-products of fossil fuel and can cause respiratory problems. Toxic air pollutants are hazardous and may cause cancer. Emissions from industry and business sources contribute most of the toxins. Motor vehicles emit some of these toxins to the air. Some household products release toxins in the air when they are used.

At this time there are no counties in New Hampshire in violation of federal air quality standards for ozone. The two carbon monoxide monitoring sites in New Hampshire were not in violation of federal air quality standards. There were no violations at any of the particulate matter sites or the sulfur dioxide sites in 1998.

There are two types of ozone. The first type is ground-level ozone. Emissions from motor vehicles combine with sunlight to create ground-level ozone (smog). A high degree of ground-level ozone can be harmful to living things. Ozone levels usually rise from April to October, when the weather is warm. This is known as "Ozone Season." Emissions from upwind states of the Southeast and Midwest add to New Hampshire's ground-level ozone.

The second type is stratospheric ozone. This type of ozone is chemically the same as ground-level ozone, but acts as a protective cover in the upper atmosphere around the earth. Stratospheric ozone filters out ultraviolet rays, which can be harmful to living things.[1]

## Water Quality

The New Hampshire Rivers Management and Protection Program was established in 1988 by the State Legislature. Currently there are twelve rivers (the Merrimack River's upper and lower segments are counted separately) in the program. The Souhegan River has been nominated for the program. This river supplies drinking water for local communities. It also houses a salmon nursery and is considered a good river for whitewater rafting.

Methyl tertiary butyl ether (MtBE) was added to gasoline beginning in 1979 as a lead substitute. MtBE was used to increase the octane rating, which would reduce air pollution. The Clean Air Act required areas where the ozone levels were high to increase the oxygen level in gasoline. This requirement led to the amount of MtBE in gasoline being increased in 1995, making engines burn cleaner.

Since then, MtBE has been found in public and private water supplies. This additive is highly soluble in water and

## The 1997 Toxic Release Level Shows Some Improvement

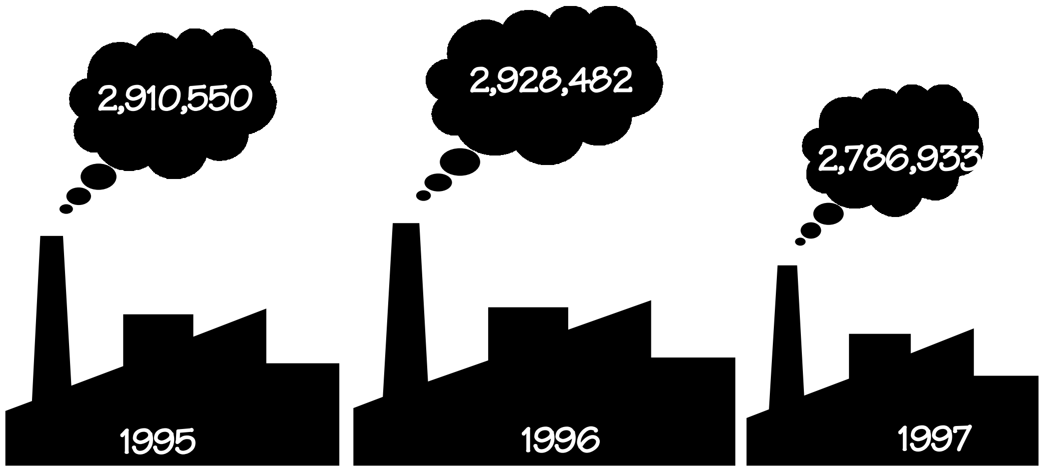



Figure 17.a: Toxic On-Site and Off-site Releases in Pounds

breaks down slowly. MtBE has a low odor threshold of 20 micrograms per liter (µg/L) and a taste threshold of 40 µg/L. There are three ways to remove MtBE from water: aeration, adsorption using activated carbon, and oxidation.

New Hampshire has requested a waiver from the EPA to use less MtBE in gasoline. The EPA is not sure if the Clean Air Act will allow them the authority to grant this request. It has been recommended that the possibilities of an alternative to MtBE be explored.[2]

### Toxics Release Inventory

Manufacturers are required to report releases of toxic chemicals into the air, water, and land according to the Emergency Planning and Community Right-to-Know Act of 1996 (EPCRA). Over 600 hazardous chemicals have been placed on the Toxic Release Inventory (TRI) list. This list is used to let communities know what kind of hazardous chemicals are being released in their area.

Over 80,000 toxic release forms are filed every year in the United States. In 1997 New Hampshire manufacturers filed 299 forms, reporting their toxic releases in the environment. The pounds of on-site and off-site toxic releases in 1997 decreased 4.8 percent over 1996. The Granite State ranked eighth in the least amount of on-site and off-site toxic releases. This ranking includes the U.S. and its territories. The toxic release levels in the United States increased 2.3 percent during the same period.[3]

### Solid Waste Management

New Hampshire's unlined landfills are in the process of being closed and capped. Currently, eleven unlined landfills are still active in New Hampshire. All unlined landfills will be closed and capped by 2003.

### Superfund Cleanup

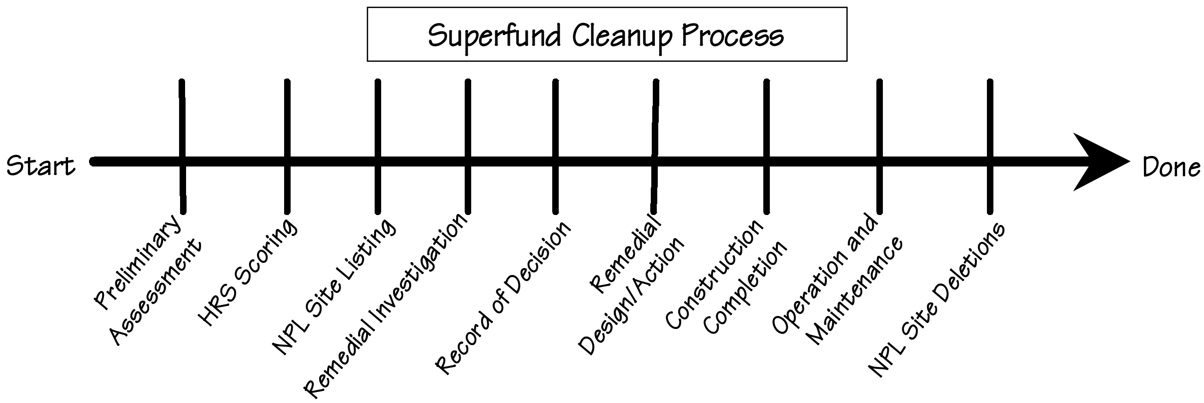
In 1980 the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), also known as Superfund, was created to locate, investigate, and clean up the nation's worst hazardous waste sites. New Hampshire has eighteen waste sites on the final national priorities list (NPL). The NPL is a list of potentially hazardous waste sites posing a threat to humans, wildlife, and/or the environment.

| 17. Environment | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| AIR QUALITY | | | | | |
| Ozone levels (ozone season April 1 to October 31): | | | | | |
| Average four highest maximum hourly values in parts per million, selected monitoring sites | | | | | |
| [National Ambient Air Quality Standard (NAAQS) 0.12 ppm (parts per million)] | | | | | |
| Manchester | 0.093 | 0.1015 | 0.104 | 0.079 | EPA |
| Nashua | 0.088 | 0.0975 | 0.11225 | 0.102 | EPA |
| Portsmouth | 0.112 | 0.0975 | 0.1135 | 0.107 | EPA |
| Rye | 0.13 | 0.107 | 0.1325 | 0.108 | EPA |
| Estimated Days above NAAQS standard (0.125 ppm) | 3.1 | 0.0 | 4.0 | 0.0 | EPA |
| Carbon Monoxide: | | | | | |
| Second maximum eight-hour concentration | | | | | |
| [NAAQS standard 9 ppm] | | | | | |
| Manchester | 5.9 | 7.6 | 4.0 | 3.6 | EPA |
| Nashua | 7.6 | 5.4 | 5.3 | 5.3 | EPA |
| WATER QUALITY | | | | | |
| Lakes and ponds: | | | | | |
| Aquatic Life: | | | | | |
| Total acres assessed | 161,384 | n/a | 161,464 | n/a | WSP |
| Acres Fully Supporting | 145,563 | n/a | 156,256 | n/a | WSP |
| Acres Partially Supporting | 6,008 | n/a | 2,810 | n/a | WSP |
| Acres Not Supporting | 4,525 | n/a | 2,398 | n/a | WSP |
| Acres Not Assessed[a] | 5,288 | n/a | 8,545 | n/a | WSP |
| Fish Consumption: | | | | | |
| Acres Fully Supporting[a] | 161,384 | n/a | 170,009 | n/a | WSP |
| Swimming: | | | | | |
| Total acres assessed | 161,384 | n/a | 161,464 | n/a | WSP |
| Acres Fully Supporting | 150,910 | n/a | 159,815 | n/a | WSP |
| Acres Partially Supporting | 4,505 | n/a | 1,386 | n/a | WSP |
| Acres Not Supporting | 322 | n/a | 0 | n/a | WSP |
| Acres Not Assessed | 5,647 | n/a | 8,808 | n/a | WSP |
| Rivers and streams: | | | | | |
| Aquatic Life: | | | | | |
| Total miles assessed | 10,881 | n/a | 2,542 | n/a | WSP |
| Miles Fully Supporting | 10,852 | n/a | 2,407 | n/a | WSP |
| Miles Partially Supporting | 26 | n/a | 128 | n/a | WSP |
| Miles Not Supporting[a] | 3 | n/a | 7 | n/a | WSP |
| Miles Not Assessed | n/a | n/a | 8,339 | n/a | WSP |
| Fish Consumption: | | | | | |
| Total miles assessed | 10,881 | n/a | 279 | n/a | WSP |
| Miles Fully Supporting | 10,868 | n/a | 0 | n/a | WSP |
| Miles Partially Supporting | 0 | n/a | 265 | n/a | WSP |
| Miles Not Supporting[a] | 13 | n/a | 14 | n/a | WSP |
| Miles Not Assessed | n/a | n/a | 10,602 | n/a | WSP |
| Swimming: | | | | | |
| Total miles assessed | 10,881 | n/a | 2,566 | n/a | WSP |
| Miles Fully Supporting | 10,840 | n/a | 2,478 | n/a | WSP |
| Miles Partially Supporting | 23 | n/a | 50 | n/a | WSP |
| Miles Not Supporting[a] | 18 | n/a | 38 | n/a | WSP |
| Miles Not Assessed | n/a | n/a | 8,315 | n/a | WSP |

[a] Does not include the statewide freshwater fish consumption mercury advisory in 1994 issued by the N.H. Department of Health and Human Services. The primary source of mercury is believed to be atmospheric deposition from upwind states. Other New England states have similar fish consumption advisories in effect.

| 17. Environment | 1995 | 1996 | 1997 | 1998 | Source |
|---|---|---|---|---|---|
| TOXIC RELEASE INVENTORY | | | | | |
| On-site and Off-site Releases in Pounds | | | | | |
| New Hampshire | 2,910,550 | 2,928,482 | 2,786,933 | n/a | EPA |
| Percent Change | n/a | 0.6% | -4.8% | n/a | NHES/EPA |
| New England | 40,110,053 | 32,260,731 | 32,025,585 | n/a | EPA |
| Percent Change | n/a | -19.6% | -0.7% | n/a | NHES/EPA |
| U.S. (000s) | 2,604,823,722 | 2,510,929,813 | 2,568,180,211 | n/a | EPA |
| Percent Change | n/a | -3.6% | 2.3% | n/a | NHES/EPA |
| SOLID WASTE Residential and Commercial (tons per year-000s) | | | | | |
| Generated | 1,301.3 | 1,103.1 | 1,301.7 | n/a | WMD |
| Recycling | 275.0 | 259.9 | 309.0 | n/a | WMD |
| Disposed of [b] | 945.9 | 756.7 | 901.4 | n/a | WMD |
| Pounds per person per day | 4.5 | 4.0 | 4.2 | n/a | WMD |
| Exported | 101.6 | 86.5 | 91.2 | n/a | WMD |
| Imported (for incineration and landfill) | 623.4 | 760.5 | 820.0 | n/a | WMD |

[b] generated less recycling and divergence




The following is the status of the eighteen Superfund sites:

- One of the eighteen sites has been completed and is in the long term monitoring phase.
- One site has two parts. The first part has been completed. The second part has a consent decree signed by the responsible party, outlining the details of how they will proceed.
- Eleven sites are in the remedial design/action process.
- In one site the remedial action process is on hold. The Record of Decision is being reevaluated.
- Two sites were scheduled to start the remedial action in 1999.
- Two sites are in the remedial design process.
- One site will start the remedial design process in 2000.
- One site is in the remedial investigation/feasibility study process.

Once a site is complete the Environmental Protection Agency (EPA) makes sure the objectives have been met and the site poses no threat to humans, wildlife, and the environment. The EPA then deletes the site from the NPL, making the site available for redevelopment.
New Hampshire has not had any of its sites deleted from the NPL.[4]

*Gail Houston*

[1] New Hampshire Department of Environmental Services: "Smog and Ground-Level Ozone;" <http://www.des.state.nh.us/ard/homepage.htm>
[2] New Hampshire Department of Environmental Services; "MtBE in Drinking Water;" <http://www.des.state.nh.us/ws-3-19.htm>
[3] United States Environmental Protection Agency; "1997 Toxic Release Inventory Public Data Release Report;" <http://www.epa.gov/opptintr/tri/tri97/drhome.htm>
[4] United States Environmental Protection Agency; "Welcome to Superfund – Cleaning up the Nation's Hazardous Waste Sites;" <http://www.epa.gov/superfund/>

# Directory of Sources

| Abbreviation | Provider |
|---|---|
| **AS** | New Hampshire Department of Administrative Services |
| **AR** | New Hampshire Association of Realtors |
| **BEA** | Bureau of Economic Analysis, United States Department of Commerce |
| **BFA** | New Hampshire Business Finance Authority |
| **BKR** | U.S. Bankruptcy Courts, Administrative Office of United States Courts |
| **BLS** | Bureau of Labor Statistics, United States Department of Labor |
| **CB** | Bureau of the Census, United States Department of Commerce |
| **DC** | New Hampshire Department of Corrections |
| **DE** | New Hampshire Department of Education |
| **DHS** | Division of Human Services, New Hampshire Department of Health and Human Services |
| **DJ** | United States Department of Justice |
| **DS** | New Hampshire Department of Safety |
| **DT** | New Hampshire Department of Transportation |
| **DTTD** | Division of Travel and Tourism Development, N.H. Department of Resources and Economic Development |
| **EIA** | Energy Information Administration, United States Department of Energy |
| **EPA** | United States Environmental Protection Agency |
| **F&G** | New Hampshire Department of Fish and Game |
| **FBI** | Federal Bureau of Investigation |
| **FDIC** | Federal Deposit Insurance Corporation |
| **FHLMC** | Federal Home Loan Mortgage Corporation |
| **FM** | Fannie Mae & Freddie Mac |
| **FR** | Federal Reserve Bank of Boston |
| **HA** | New Hampshire Hospital Association |
| **HFA** | New Hampshire Housing Finance Authority (NHHFA) |
| **LC** | New Hampshire Liquor Commission |
| **LD** | New Hampshire Department of Labor |
| **MA** | Manchester Airport |

| Abbreviation | Provider |
|---|---|
| **MBA** | Mortgage Bankers Association of America |
| **NAR** | National Association of Realtors |
| **NCUA** | National Credit Union Administration |
| **NHES** | New Hampshire Employment Security |
| **OFA** | Office of Family Assistance, Administration of Children and Families, U.S. Department of Health and Human Services |
| **OBID** | Office of Business and Industrial Development, N.H. Department of Resources and Economic Development |
| **OSP** | New Hampshire Office of State Planning |
| **P&R** | Division of Parks & Recreation N.H. Department of Resources and Economic Development |
| **PA** | New Hampshire Port Authority |
| **PEC** | New Hampshire Postsecondary Education Commission |
| **PM** | New Hampshire Pari-mutuel Commission |
| **PS** | United States Postal Service, Manchester Field Division |
| **PSM** | Pease International Tradeport |
| **PSNH** | Public Service Company of New Hampshire |
| **PSV** | Community Technical College |
| **RA** | New Hampshire Department of Revenue Administration |
| **SMM** | Sales and Marketing Management |
| **SSA** | United States Social Security Administration |
| **SST** | New Hampshire Office of Secretary of State |
| **TRI** | Toxic Release Inventory |
| **UED** | United States Department of Education |
| **UIS** | United States Department of Labor, Unemployment Insurance Service |
| **VS** | Bureau of Vital Records/Health Statistics, Division of Public Health Services, N.H. Department of Health and Human Services |
| **WMD** | Waste Management Division, New Hampshire Department of Environmental Services |
| **WSP** | Water Supply and Pollution Control Division, New Hampshire Department of Environmental Services |

# Glossary and Index

**Aid to Families with Dependent Children (AFDC):** A federal/state program replaced by TANF. *(Section 14)*

**Air Quality Standards:** The EPA sets limits on six types of pollutants; ozone, lead, nitrogen dioxide, carbon monoxide, sulfur dioxide, and particulate matter. These pollutants are monitored at various sites throughout the state. *(Section 17)*

**Alcohol-Involved Traffic Accident:** Either driver, biker, or pedestrian reported consuming alcohol prior to the accident (blood alcohol level of .04 or above). *(Section 16)*

**Assisted-Rental Housing:** Several programs provide both project-based and certificate-based financial assistance for low income housing renters including NHHFA (New Hampshire Housing Finance Authority), HUD (U.S. Dept. of Housing and Urban Development), FmHA (Farmers' Home Administration), and local housing agencies. *(Section 9)*

**Average Weekly Earnings, Production Workers:** Average total money earnings of production or nonsupervisory workers in the survey week, including overtime, paid vacation, and sick leave. This data is based on a monthly sample. *(Section 13)*

**Average Weekly Wage:** Total wages paid divided by average employment divided by number of weeks for a given time period. *(Section 13)*

**Benefits Paid, Unemployment Insurance:** Money payable to an unemployed individual as compensation for wage loss. Includes benefits paid on wages earned in private industry, state and local government, and nonprofit organizations; plus interstate benefits; adjusted for benefit recoveries, and for transfers under the interstate combined wage plan. *(Section 3)*

**Birth Rate:** Number of resident live births per 1,000 resident population (midyear). *(Section 1)*

**British Thermal Units (Btu):** The quantity of heat needed to raise the temperature of one pound of water by one degree Fahrenheit at or near 39.2 degrees Fahrenheit. *(Section 6)*

**Civilian Labor Force:** The noninstitutional civilian population age sixteen and over who are employed or actively seeking employment. *(Section 3)*

**Company**: economic unit where business is conducted or where services or industrial operations are performed. A company may consist of one or more establishments. *(Section 5)*

**Consumer Price Index for Urban Consumers (CPI-U):** A measure of the average change in the prices paid by urban consumers for a fixed market basket of goods and services. This index represents the buying habits of about 80 percent of the noninstitutional population of the United States. The current index uses a basket of goods and services surveyed in 1982 through 1984; the bundle's cost in 1982-84 prices is set equal to 100 and all price changes are relative to the base prices. A CPI is not prepared specifically for New Hampshire, so generally the index for the entire United States is used. *(Section 13)*

**Constant Dollars:** Figures that are estimates representing an effort to remove the effects of price changes as if the dollar had constant purchasing power. *See Current Dollars.* *(Section 7)*

**Contract Value Indices:** Value of construction contracts. *Total Construction*: Index of value of contracts let for new construction, additions, and major alterations, but not for maintenance. *Nonbuilding Construction*: highways, bridges, dams, utility systems, airports, etc. *Nonresidential Building Construction*: stores, factories, offices, hospitals, schools, etc. *Residential Construction*: single and multiple unit houses, hotels, motels, and dormitories. *(Section 9)*

**Crime Indices**: Number of offenses per 100,000 resident population (midyear). Used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. Offenses included are violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault; and property crimes of burglary, larceny/theft, motor vehicle theft, and arson. *(Section 16)*

**Current Dollars:** Figures reflecting actual prices or costs prevailing during the specified year(s). *See Constant Dollars*. *(Section 7)*

**Death Rate, Crude:** Number of resident deaths per 1,000 resident population (midyear). *(Section 1)*

**Defense Contracts:** Awards made in fiscal year specified; related expenditures may extend over several years. *(Section 7)*

**Disability Benefits under Social Security:** For purposes of entitlement to benefits, disability is defined as the inability to engage in any substantial gainful activity, by reason of medically determinable physical or mental impairment severe enough to render the person unable to engage in any kind of substantial gainful work, regardless of availability of such work. *(Section 14)*

**Disposable Income:** see *Personal Income*

**Divorce Rate:** Number of divorces, annulments, and legal separations per 1,000 resident population (midyear). *(Section 1)*

**Durable/Nondurable Goods:** In both the manufacturing division and the wholesale trade division of the Standard Industrial Classification Manual, products are classified according to the estimated length of the life of the product. Durable goods are normally expected to last longer than three years. *(Section 4)*

**Duration of Benefit Payments, Average:** Number of weeks compen sated for unemployment during the year, divided by the number of first payments. May include more than one period of unemployment. *(Section 3)*

**Earnings:** see *Average Weekly Earnings*

**Effective Buying Income (EBI):** An indicator of the ability to buy. It is determined by personal income less personal tax and non-tax payments. Similar to disposable income. Developed by *Sales and Marketing Management*. *(Section 8)*

**Electric Utility:** A corporation, person, agency, authority, or other legal entity or instrumentality that owns and/or operates facilities for the generation, transmission, distribution, or sale of electrical energy, primarily for use by the public, and that files forms listed in the Code of Federal Regulations, Title 18, Part 141. Facilities that qualify as cogenerators or small power producers under the Public Utility Regulatory Policies Act are not considered utilities. *(Section 6)*

**Energy Consumption:** Statistics include use of various forms of petroleum, natural gas, coal, nuclear fuels, and hydroelectric generation but exclude wood, waste, wind, solar, and photo voltaic sources. Physical units are converted to Btus. Adjustments to state data are made for interstate sales and include electrical system energy losses incurred in generation, transmission, and distribution of electricity plus plant use and unaccounted for electrical system energy losses. Data is gathered from a variety of surrogate measures selected on the basis of availability, applicability as an indicator of consumption, continuity over time, and consistency. *(Section 6)*

**Establishments in Private Covered Employment:** Any employer whose workers are covered by New Hampshire Unemployment Compensation law. In general, covered employers include any individual or organization who employs one or more workers within the state during the year. Examples of those exempted from unemployment compensation coverage are the self-employed, the employees of railroads, and employees of religious organizations. *(Section 5)*

**Energy Generated, Net:** The total amount of electric energy (kilowatt-hours) produced by the generating units in a generating station less the kilowatt-hours consumed for station use. *(Section 6)*

**Fuel Consumed to Generate Electricity:** Fuel required by all types of electricity generating plants. Coal, gas, and nuclear fuels are shown in equivalent barrels of oil. Oil is shown in 42 gallon barrels. One barrel of oil equals 0.276 tons of coal or 5.965 mcf (thousand cubic feet) of gas. *(Section 6)*

**Food Stamp Program:** A federal government-sponsored program to increase the buying power and the nutritional level of low income families. *(Section 14)*

**Gross Domestic Product (GDP):** The total output of goods and services produced by labor and property located in the United States, valued at market prices. *(Section 7)*

**Gross State Product**: Gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). *(Section 7)*

**High School Graduation Rate:** The percentage of ninth graders who receive a regular high school diploma four years later. For example: the graduation rate for 1997 is for students who were in the ninth grade in the fall of 1993. Graduation rates have been adjusted for interstate migration and unclassified secondary school enrollment. *(Section 2)*

**High Tech Industries:** Industries with a significant concentration of research and development (R&D) employment, where the proportion of R&D employment is at least equal to the average proportion for all industries. *(Section 5)*

**Home Sales of Existing Homes:** Estimates based on multiple listing data. Projections are made with the cooperation of the National Association of Realtors. Data primarily consists of existing units of single family homes, town houses, condominiums, and cooperatives. Multiple units are excluded. *(Section 9)*

**Inadequate Prenatal Care:** A pregnancy with no care or where care began during the third trimester. *(Section 1)*

**Incarceration Rate:** The number of persons confined in prison per 100,000 resident population. Department of Justice rates pertain to prisoners from New Hampshire with sentences over one year, including those under either federal or state jurisdiction. *(Section 16)*

**In-migration:** *See migration*. *(Section 1)*

**Inpatient Days:** The number of days that patients (excluding newborns) spend in a hospital, including the day of admission, but not the day of discharge. *(Section 15)*

**Labor Force Participation Rate:** The percentage of the civilian noninstitutional population age sixteen or older that is working or looking for work. *(Section 3)*

**Late Prenatal Care:** Prenatal care that does not begin until the third trimester of pregnancy. *(Section 1)*

**Limited Liability Company**: A legal entity formed by a contract which meets certain statutory requirements. As a result of meeting those requirements its members are protected from most personal liability. The entity itself is not subject to taxation of income. Instead, its income is reported as income of its members who are liable for income taxes. *(Section 5)*

**Manufacturers' Shipments:** The received or receivable net selling values, FOB plant (exclusive of freight and taxes), of all products shipped, both primary and secondary, as well as miscellaneous receipts, such as receipts for contract work for others, installation and repair, sales of scrap, and sales of products bought and resold without further processing. *(Section 7)*

**Marriage Rate:** Number of marriages per 1,000 resident population (midyear). *(Section 1)*

**Meals and Rooms (Rentals) Receipts:** Estimate of sales by hotels, motels, and eating and drinking establishments based on taxes received under the Meals and Rooms authority. The name was changed to Meals and Rentals Receipts in July 1999. *(Section 8)*

**Medicaid:** A joint governmental program known as Title XIX of the Social Security Act. The program provides medical assistance to low income individuals and families. Currently it is the largest jointly funded cooperative program between federal and state governments to assist states in the provision of health services to the poor. *(Section 14)*

**Medicare:** A federal program providing hospital insurance and supplementary medical insurance for persons who are eligible for retirement benefits and have attained the age of 65, disabled persons entitled to social security disability benefits, and workers or their dependents with permanent kidney failure. Medicare's official name is Title XVIII of the Social Security Act. *(Section 14)*

**Migration**: That part of the population change not attributable to the natural increase. It consists of people moving into and out of the state. *Net migration* is the difference between *in-migration* and *out-migration*. Further, this can be international or domestic migration. *International migration* consists of moves where either the origin or the destination is outside of the nation. *Domestic migration* consists of moves where both the origin and destination are within the U.S. *(Section 1)*

**Natural Increase Rate:** The number of resident births minus deaths per 1,000 total resident population (midyear). *(Section 1)*

**Nonfarm Wage and Salary Employment:** Place of work employment that does not include private household workers, self-employed, unpaid family workers, and domestics or agricultural workers. *(Section 4)*

**Nondurable Goods:** see *Durable Goods*.

**Noncurrent Loans:** Loans and leases 90 days or more past due or in nonaccrual status. *(Section 11)*

**OASDI:** Old-Age and Survivors Insurance and Disability Insurance. See *Social Security*. *(Section 14)*

**Occurrences:** Births, deaths, and other vital events that are recorded regardless of residence. *(Section 1)*

**Out-Migration:** *see migration*

**Pari-mutuel:** A system of wagering where the bettors who wager on competitors placing in the first three positions share the total pool minus a percentage for the management. *(Section 8)*

**Personal Consumption Expenditures**: Includes domestic goods and services purchased by individuals; operating expenses of nonprofit institutions serving individuals; and the value of food, fuel, clothing, housing, and financial services received in kind by individuals. *(Section 13)*

**Personal Income:** The current income received by all the residents of the state from all sources, including wages and salary disbursements, other labor income, proprietors' income, rental income, interest, dividends, and transfer payments; less personal contributions for social insurance. *Per Capita Personal Income* is personal income divided by the July 1st resident population. *Disposable Personal Income* is personal income less tax and nontax payments. *(Section 13)*

**Poverty:** Total money income (wages, transfer payments, unearned income, etc.) for a year, below designated poverty thresholds based on the cost of a nutritionally adequate food plan, with variations for family size, adjusted annually according to the Consumer Price Index. *(Section 14)*

**Property Tax Rates, Equalized:** A uniform standard for comparing tax rates between towns and counties. *(Section 12)*

**Property Tax Rates, Full Value:** The tax rate if property were assessed at its full market value. Rates represent tax on each $1,000 of a property's market value. *(Section 12)*

**Property Tax Assessment Ratio:** The full value assessment ratio is a comparison between current assessments (local tax rate) and full market value (full value tax rate). *(Section 12)*

**Rural Traffic Count:** Automatic traffic counter data recorded on New Hampshire and U.S. roadways designated as rural areas. Data is collected and reported by the Department of Transportation, Bureau of Transportation Planning. *(Section 10)*

**Scholastic Assessment Test Score:** Mean test score for all students in the state who took the SAT exam during the designated academic year. *(Section 2)*

**Social Security:** National Old-Age and Survivors Insurance and Disability Insurance (OASDI). The largest income maintenance program in the United States. Provides monthly cash benefits to individuals or their families to replace, in part, the income lost when a worker retires in old age, becomes severely disabled, or dies. Coverage is nearly universal, including about ninety-five percent of the jobs in this country. Funds come primarily from taxes on earnings in covered jobs and matching funds paid by employers and the self-employed. *(Section 14)*

**Temporary Assistance to Needy Families (TANF):** A system of federal block grants to states for the provision of welfare benefits. Replaces AFDC, JOBS, and Emergency Assistance Programs. *(Section 14)*

**Total Equalized Valuation:** The true market value of all taxable property in the state as determined by the Department of Revenue Administration. *(Section 12)*

**Unemployed:** Persons who were not employed during the monthly survey week but were available for work and were overtly engaged in a job seeking activity within the previous four week period, waiting to be recalled from a layoff, or waiting to report to a new job within thirty days. *(Section 3)*

**Unrestricted Revenue:** Moneys received by the state which may be appropriated by the Legislature for any purpose without constitutional limitations. (Section *12)*

**Value Added by Manufacture:** A measure of manufacturing activity used for comparing the relative economic importance of manufacturing among industries and geographic areas. The cost of materials, supplies, fuels, etc. are subtracted from the value of shipments plus receipts for services rendered, and adjusted by adding value added by merchandising plus net change in finished goods and work-in-process between the beginning and the end of the year. *(Section 7)*

**Vehicle Registration:** A count of the registration certificates on file at the Department of Safety at the end of each calendar year. The definitions of passenger autos versus trucks are now based on body styles and not usage. Included in passenger auto registrations are two- and four-door cars, hatchbacks, station wagons, and all-purpose autos. Truck registrations consist of motor vehicles with body styles to carry cargo. Some of the styles incorporated are pickups, vans, school buses, and tractor trailers. Trucks are no longer assigned a commercial registration unless intended for business use. *(Section 10)*

**Wages:** see *Average Weekly Earnings, Production Workers or Average Weekly Wage*

**Water Quality Classification:** Water quality status of the state's surface and ground waters, as reported to Congress per the requirements of Section 305(b) of the Water Quality Act. *(Section 17)*

**Weekly Benefit Amount, Average:** Benefits paid for total unemployment during the year divided by the number of weeks compensated. Payments for partial unemployment are excluded. State and local government benefits are included. *(Section 3)*

**Weeks Compensated for Unemployment:** Number of weeks of unemployment for which benefits were paid including both total and partial unemployment. Includes state and local government. *(Section 3)*

**Workers' Compensation:** Specifies the level of medical and disability income benefits to be paid to injured workers and bars the employee from suing the employer for the injury. *(Section 15)*